



Governing Board and Alternates

Chair: Jennifer Montgomery, County of Placer
Vice Chair: Kim Douglass, City of Colfax
Kirk Uhler, County of Placer
Greg Janda, City of Rocklin
Brian Baker, Town of Loomis
Bridget Powers, City of Auburn
Peter Gilbert, City of Lincoln
Alternate Town of Loomis, Miguel Ucovich
Alternate City of Auburn, Cheryl Maki
Alternate City of Lincoln, Dan Karleskint
Alternate City of Rocklin, Scott Yuill

Governing Board Agenda

December 11, 2017, 3:00 pm

Placer County Board of Supervisors Chambers
Placer County Administrative Building
175 Fulweiler Avenue, Auburn, CA 95603

1) Agenda Approval

- 2) Public Comment** *Persons may address the Board on items not on this agenda. Please limit comments to 3 minutes, per person. The Board is not permitted to take any action on items addressed under Public Comment.*

3) Consent Agenda

- a) Approval of December 4, 2017 Meeting Minutes p. 1
- b) mPOWER Report p. 3
- c) 2018 Meeting Calendar p. 10

3:15 pm

4) Public Hearing and Electric Generation and Net Energy Metering Net surplus Compensation Rates p. 12

- a) Conduct a Public Hearing regarding the setting of Pioneer Community Energy electric generation rates, and Net Energy Metering (NEM) Net Surplus Compensation (NSC) rates.
- b) Adopt a Resolution approving the initial rate structure for Pioneer Community Energy's unbundled electric generation customers, effective February 1, 2018, to provide a 3% discount from PG&E rates in effect on October 31, 2017, and setting the initial Net Energy Metering (NEM) Net Surplus Compensation (NSC) rate of \$0.03 per kWh, and authorizing the Executive Director to make a one-time adjustment to the rates to ensure a minimum 3% discount once the pending PG&E rate decision of the California Public Utilities Commission has been issued.

5) Sublease of Office Suites at 2510 Warren Drive Suites B and C, Rocklin, CA p. 32

Approve and authorize the Executive Director to execute a Sublease between the Pioneer Community Energy and Placer County for commercial premises located at 2510 Warren Drive in Rocklin, CA, at an initial rent of \$9,933 per month, with 3% annual increases throughout the initial term of 88 months, subject to General Counsel review and Approval.

6) Financing p.35

Approve a resolution authorizing the issuance and sale of bonds to the Placer County Treasurer in an aggregate principal amount not to exceed \$40,000,000, to finance administrative and operational expenses, and the acquisition of power supply and related transaction costs, and other costs related the Community Choice Aggregation (CCA) Program, and approving the form and authorizing the execution of a bond purchase agreement and authorizing actions related to the issuance of the bonds.

7) Board Member and Executive Director Comments

8) Adjournment

Pioneer Community Energy is committed to ensuring that persons with disabilities are provided the resources to participate fully in its public meetings. If you are hearing impaired, we have listening devices available. If you require additional disability-related modifications or accommodations, including auxiliary aids or services, please contact the Clerk of the Board. If requested, the agenda shall be provided in appropriate alternative formats to persons with disabilities. All requests must be in writing and must be received by the Clerk five business days prior to the scheduled meeting for which you are requesting accommodation. Requests received after such time will be accommodated only if time permits.

Pioneer Community Energy Governing Board Minutes Draft

Pioneer Community Energy Governing Board met in regular session at 3:00 pm Monday, December 4, 2017 at 13091 County Center Drive, Auburn, CA 95603, Placer County Community Development and Resource Agency Building, Planning Commission Hearing Room.

Board members and Alternates present:

Chair: Jennifer Montgomery
Vice Chair: Kim Douglass
Kirk Uhler
Cheryl Maki
Peter Gilbert
Miguel Ucovich
Greg Janda

1) Agenda Approval

MOTION: Janda/Ucovich/Unanimous Vote 7:0

AYES: Montgomery, Douglass, Uhler, Maki, Gilbert

2) Public Comment:

Rachel Harris advised the Pioneer Board to approach the procurement of electricity and the development of programs carefully.

3) Approved an Agreement with CalPine Energy Solutions, LLC and Authorize the Executive Director to Execute the Agreement in the amount of \$1.15 per meter per month for an initial term ending December 31, 2020 with automatic renewals for successive one (1) year terms unless, one hundred eighty (180) calendar days in advance of the end of the then existing term, either party does not wish to renew the term of the Agreement for service related to:

- a) Electronic Data Exchange
- b) Customer Information System
- c) Billing Administration
- d) Customer Call Center
- e) Qualified Reporting Entity (QRE)
- f) Settlement Quality Meter Data (SQMD)

MOTION: Gilbert/Ucovich/Unanimous Vote 7:0

AYES: Montgomery, Douglass, Uhler, Maki, Janda

4) Electric Generation Rates and Solar Net Energy Metering

- a) Received a presentation from Pacific Energy Advisors on Proposed Electric Generation Rates and Solar Net Energy Metering (NEMs)
- b) Provided Direction on Solar Net Energy Metering, Net Surplus Generation Compensation Rates, Net Surplus Generation Compensation Disbursement and Credits, and Compensation Limits for rates: payout credit on accounts once per year, reimburse surplus generation at a rate of \$0.035 to \$0.05 per kWh consistent with the

rate Pioneer purchases its renewable portfolio standard rate, and cap the reimbursement at \$5,000.

5) Consent Agenda

- a) Approved of Minutes - November 27, 2017 Meeting
- b) Approved Standard Power Purchase Confirmations and authorized modification of the Standard Confirmations for Other Products, Subject to the Approval of General Counsel. Standard confirmations are for the Purchase of:
 - (1) Electric Capacity and/or Electric Energy
 - (2) Specified Source Energy
 - (3) Resource Adequacy
 - (4) Renewable Energy Credits "RECs", Category 1
 - (5) Renewable Energy Credits "RECs", Category 2
 - (6) Renewable Energy Credits "RECs", Category 3

MOTION: Gilbert/Uhler/Unanimous Vote 4:0

AYES: Douglass, Janda

ABSENT: Montgomery, Maki

ABSTAIN: Ucovich

9) Board Member and Executive Director Comments.

Received Executive Director Report.

10) Adjourned at 5:24 pm.

MOTION: Gilbert/Ucovich/Unanimous Vote 4:0

AYES: Douglass, Janda, Uhler

ABSENT: Montgomery, Maki



Save Money, Conserve Energy, Create Jobs

mPOWER

Statistical Report mPOWER

**Month Ending October 31, 2017
Program to Date**

A Program of Pioneer Community Energy

**SERVING THE CITIES of AUBURN, COLFAX, FOLSOM, GRASS VALLEY, LINCOLN,
LOOMIS, NEVADA CITY, ROCKLIN, ROSEVILLE, TRUCKEE and the UNINCORPORATED
AREAS of PLACER AND NEVADA COUNTIES**

**Statistical Report for mPOWER**

Month Ending October 31, 2017 - Program to Date

Assessment Applications:	Residential		Commercial		Total	
Received:	3,341	\$ 74,218,989	75	\$ 18,154,350	3,416	\$ 92,373,339 ¹
Approved:	2,363	\$ 75,595,414	32	\$ 17,991,581	2,395	\$ 93,586,995 ²
Funded:	2,263	\$ 68,025,161	30	\$ 14,038,556	2,293	\$ 82,063,717
Average Funded:		\$ 30,170		\$ 454,491		
In Progress:					213	
Denied:					169	
Withdrawn:					741	
Paid off Assessments:	455	\$ 12,217,148	1	\$ 139,262	456	\$ 12,356,410

Financed Improvements to Date3,007³ = \$ 82,063,717

Solar PV	1,767	\$ 62,206,660
HVAC	474	8,409,614
Roof	165	5,075,610
Windows/Doors	169	2,210,790
Water Heater	67	516,025
Insulation	135	877,052
Pool Equipment	111	510,351
Custom	1	156,154
Water Improvements	87	815,464
Stove	12	55,775
Lighting	19	1,230,220
Total	3,007	\$ 82,063,717

Program to Date:

Contracting Firms with Active or Funded Applications: 522

Estimated number of construction jobs created = 1,641 Jobs (20 jobs/\$million)¹

Green House Gas Emission Savings: 4,748 tons, equivalent to 1,012 cars off the road, annually

Month to Date:

Total Applications Received in October 2017: 54 \$ 1,783,069

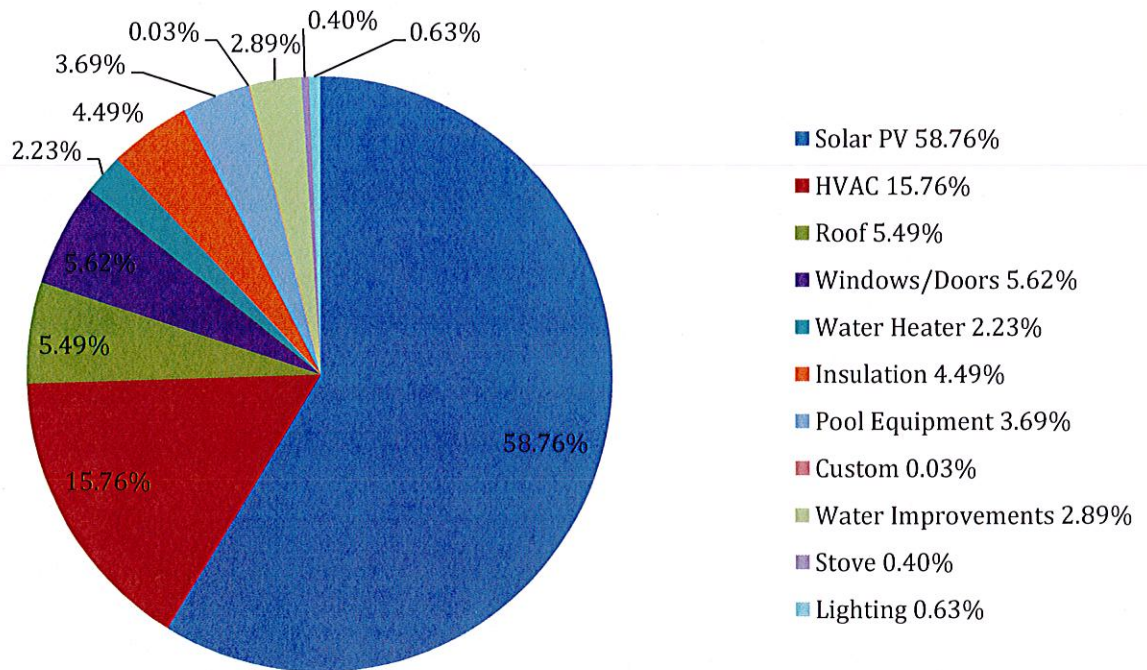
¹ Count received includes denied/withdrawn applications. Total amount received does NOT include dollar amount for denied/withdrawn applications² Total approved includes capitalized interest and fees³ Financed improvements to date include 714 applications with multiple improvements.



MPOWER

Save Money, Conserve Energy, Create Jobs

Financed Improvements by Number of Projects October 31, 2017 Program to Date



Applications Funded October 31, 2017							
Cumulative Dollar Amounts as of December 31,							to Date
2010	2011	2012	2013	2014	2015	2016	2017
\$ 691,261	\$ 801,617	\$ 1,132,779	\$ 3,327,335	\$ 20,251,301	\$ 44,030,406	\$ 67,228,622	\$ 82,063,717



MPOWER

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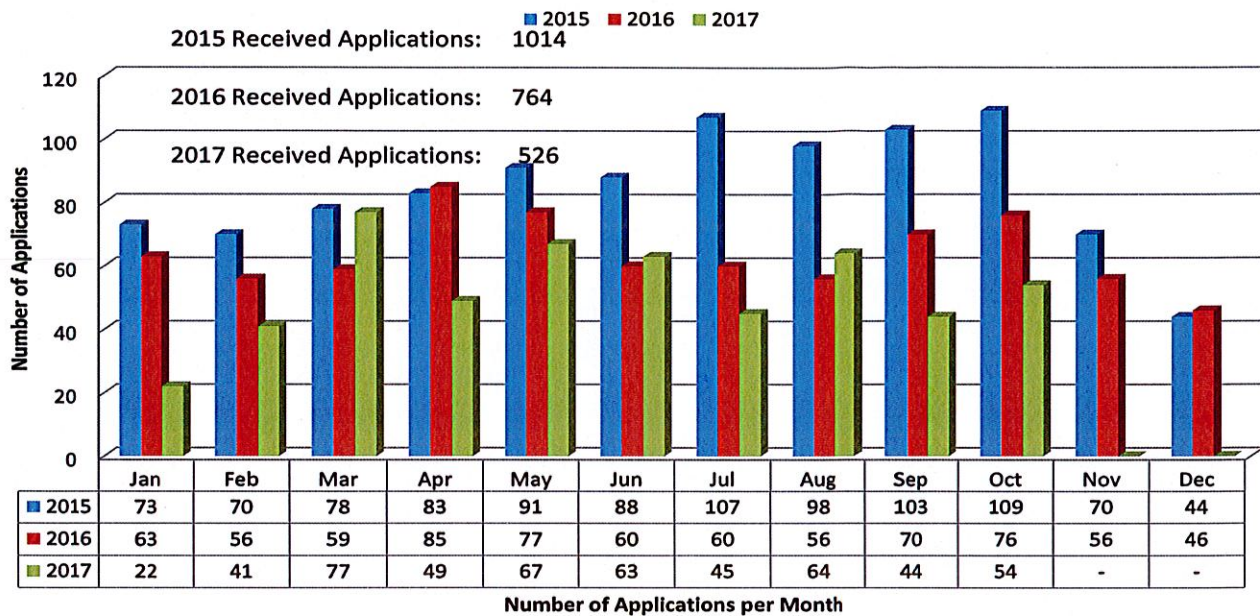
Summary of Total Funded Applications by Community												
Program to Date												
October 31, 2017												
	\$\$	Number of Projects										
	Funded	Solar	HVAC	Water	Lighting	Windows Doors	Insulation	Roof	Pool Equip	Water Heater	Stove	Custom
Placer County												
Auburn	\$ 2,383,009	62	20	1	1	10	8	9	4	2	-	-
Colfax	398,812	7	2	-	-	-	-	-	1	1	-	-
Lincoln	13,565,406	449	47	11	-	5	10	4	8	6	1	-
Loomis	2,076,085	43	14	-	1	3	4	1	3	1	-	-
Rocklin	19,311,728	454	108	17	2	40	32	16	27	11	-	-
Roseville	12,598,136	140	113	24	4	42	21	47	26	10	2	-
Unincorporated	27,079,736	568	133	24	9	52	46	64	30	35	7	1
Total	\$ 77,412,912	1,723	437	77	17	152	121	141	99	66	10	1
Nevada County												
Grass Valley	\$ 200,658	5	2	-	-	-	-	-	-	-	2	-
Nevada City	49,195	1	1	-	-	-	1	-	-	-	-	-
Unincorporated	632,742	14	3	-	-	1	-	1	-	-	-	-
Total	\$ 882,596	20	6	-	-	1	1	1	-	-	2	-
Sacramento County												
Folsom	\$ 3,768,210	24	31	10	2	16	13	23	12	1	-	-
Unincorporated	-	-	-	-	-	-	-	-	-	-	-	-
Total	\$ 3,768,210	24	31	10	2	16	13	23	12	1	-	-
Grand Total	\$ 82,063,717	1,767	474	87	19	169	135	165	111	67	12	1



Number of Applications Received by Month

October 31, 2017

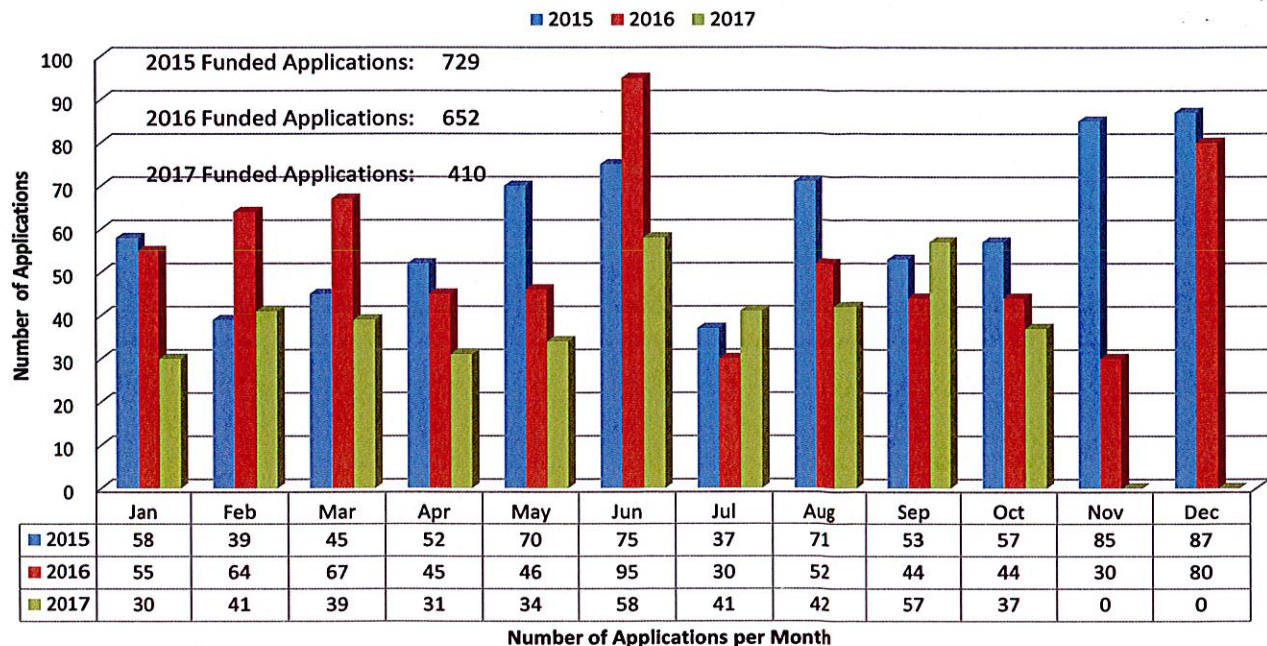
Program to Date



Number of Applications Funded by Month

October 31, 2017

Program to Date



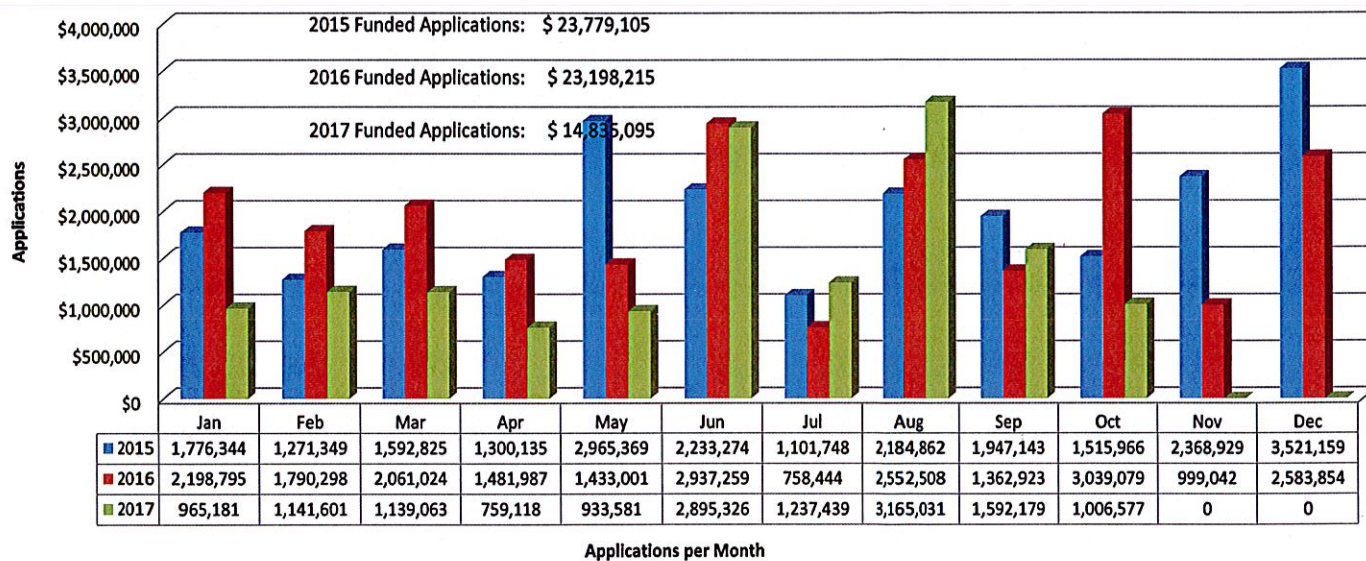


Dollar Amounts Funded by Month

October 31, 2017

Program to Date

■ 2015 ■ 2016 ■ 2017





Approved/Funded Commercial Projects Program to Date October 31, 2017						
Location	Type of Business	Type of Improvement	Amount Approved	Amount Funded	Fund Date	Term
<u>PLACER COUNTY</u>						
Colfax	Motel	Solar PV	154,096	154,096	2-Sep-10	20
Loomis	Plant Nursery	Solar PV	120,473	118,044	21-Oct-10	20
Uninc Lincoln	Machine Shop	Solar PV	41,430	38,566	6-May-11	20
Roseville	CPA Firm	Solar PV	72,000	71,790	16-Jun-11	20
Uninc Auburn	RV Park	Solar PV	354,607	331,162	16-Feb-12	20
Roseville	Auto Repair	Solar PV	100,000	100,000	18-Jul-13	20
Lincoln	Dental Office	Solar PV	44,338	42,942	6-Mar-14	20
Rocklin	Pharmaceutical	Solar PV	219,420	209,378	1-May-14	20
Tahoe	Ski Resort / Conf. Center	Multiple	718,184	703,309	7-Aug-14	20
Rocklin	Gas Station	Solar PV	130,557	128,657	20-Nov-14	20
Rocklin	Mobile Home Park	Solar PV	747,592	723,396	18-Dec-14	20
Uninc Auburn	Car Wash	Solar PV	146,403	142,070	8-Jan-15	20
Newcastle	Equestrian Center	Solar PV	66,421	65,270	17-Sep-15	10
Rocklin	Medical Office	Solar PV	79,669	75,716	5-Nov-15	20
Rocklin	Commercial Office	Multiple	236,886	227,447	17-Dec-15	20
Roseville	Auto Dealership	Multiple	3,694,896	3,445,718	17-Dec-15	20
Roseville	Auto Dealership	Multiple	2,039,513	1,890,384	4-Aug-16	20
Rocklin	Charter School	Solar PV	313,741	313,330	14-Jan-16	20
Roseville	Commercial Office	Solar PV	67,384	59,826	25-Feb-16	20
Rocklin	Medical Office	Solar PV	81,421	77,448	24-Mar-16	20
Loomis	RV Park	Solar PV	449,791	424,047	5-May-16	20
Granite Bay	Chiropractic Office	Solar PV*	362,186	148,894	23-Jun-16	20
Lincoln	Church	Solar PV	32,512	28,600	22-Sep-16	20
Rocklin	Church	Solar PV	78,228	76,065	17-Nov-16	20
Rocklin	Church	Solar PV	3,130,172	2,629,824	22-Jun-17	20
Roseville	Office Building	Solar PV	60,501	45,289	11-May-16	20
Tahoe	Ski Resort	Multiple	2,198,389	in progress		
Rocklin	Roofing Contractor	Solar PV	87,237	in progress		
<u>NEVADA COUNTY</u>						
	Logging Company	Solar PV*	212,017.71	62,712.71	28-Sep-17	20
<u>SACRAMENTO COUNTY</u>						
	Auto Dealership	Multiple	1,951,517.01	1,704,575.51	19-Mar-15	20
			\$ 17,991,581	14,038,556		

*Partial Disbursement



TO The Governing Board

DATE December 11, 2017

FROM Jenine Windeshausen, Executive Director

SUBJECT 2018 Pioneer Community Energy Board Meeting Schedule

ACTION REQUESTED

Approve the 2018 Pioneer Community Energy Board Meeting Schedule

BACKGROUND

The Pioneer Governing Board hold regular meetings to conduct Pioneer Community Energy Business. In accordance with State law (Government Code 54950 et Seq., or Brown Act) these meetings are open to the public. The Board is also required to set a time and place for holding regular meetings, which are designated to be held every Monday at 3:00p.m. located at the Placer County Administrative Center's Board of Supervisor Chambers at 175 Fulweiler Avenue in Auburn or at the Placer County Community Development and Resource Agency Building's Planning Commission Hearing Room located at 3091 County Center Drive in Auburn and such other locations as the Board may designate.

FISCAL IMPACT

None

ATTACHMENTS

2018 Pioneer Community Energy Board Meeting Schedule

2018 PIONEER COMMUNITY ENERGY BOARD MEETING SCHEDULE

JANUARY

January 8 Community Development & Resource Center
January 22 Community Development & Resource Center
January 29 Community Development & Resource Center

FEBRUARY

February 5 Community Development & Resource Center
February 26 Community Development & Resource Center

MARCH

March 5 Community Development & Resource Center
March 12 Board of Supervisor Chambers
March 26 Board of Supervisor Chambers

APRIL

April 2 Community Development & Resource Center
April 9 Board of Supervisor Chambers
April 23 Community Development & Resource Center

MAY

May 7 Board of Supervisor Chambers
May 14 Board of Supervisor Chambers

JUNE

June 4 Board of Supervisor Chambers
June 11 Board of Supervisor Chambers
June 25 Board of Supervisor Chambers

JULY

July 2 Board of Supervisor Chambers
July 9 Board of Supervisor Chambers
July 23 Board of Supervisor Chambers
July 30 Board of Supervisor Chambers

AUGUST

August 6 Community Development & Resource Center
August 13 Board of Supervisor Chambers
August 27 Community Development & Resource Center

SEPTEMBER

September 10 Board of Supervisor Chambers
September 24 Board of Supervisor Chambers

OCTOBER

October 1 Board of Supervisor Chambers
October 22 Board of Supervisor Chambers
October 29 Board of Supervisor Chambers

NOVEMBER

November 5 Community Development & Resource Center
November 26 Board of Supervisor Chambers

DECEMBER

December 3 Community Development & Resource Center

* Community Development & Resource Center: 3091 County Center Drive, Auburn, CA 95603

* Board of Supervisor Chambers: 175 Fulweiler Avenue, Auburn, CA 95603



TO: The Governing Board

DATE: December 11, 2017

FROM: Jenine Windeshausen, Executive Director

SUBJECT: Electric Generation and Net Energy Metering Net surplus Compensation Rates

ACTION REQUESTED

1. Conduct a Public Hearing regarding the setting of Pioneer Community Energy electric generation rates, and Net Energy Metering (NEM) Net Surplus Compensation (NSC) rates.
2. Adopt a Resolution approving the initial rate structure for Pioneer Community Energy's unbundled electric generation customers, effective February 1, 2018, to provide a 3% discount from PG&E rates in effect on October 31, 2017, and setting the initial Net Energy Metering (NEM) Net Surplus Compensation (NSC) rate of \$0.03 per kWh, and authorizing the Executive Director to make a one-time adjustment to the rates to ensure a minimum 3% discount once the pending PG&E rate decision of the California Public Utilities Commission has been issued.

BACKGROUND

On October 30, and November 6, 2017, your Board received budget and rate setting information. Based on discussion at these meetings, your Board directed that rate schedules be developed which provided Pioneer Community Energy unbundled electric generation customers' rates which are three percent less than PG&E's rates (across all rate classes) in effect at that time (October 31, 2017). Pacific Energy Advisors, Inc. (PEA) has developed the rate schedule for Pioneer which reflects the Board's direction. On December 4, 2017, your Board received a presentation from PEA regarding the rate setting information methodology and how PEA has developed the rate schedule for Pioneer, and on Net Energy Metering.

Unbundled Electric Generation Rates. The Pioneer rate schedule includes all rate classes: residential, small and medium commercial, large commercial, agricultural and lighting. PEA has taken the PG&E rate schedule and applied a three percent reduction across the board for all rate classes. The resulting Pioneer rates are net of the PCIA (Power Charge Indifference Adjustment) and the FFA (Franchise Fee Adjustment).

Below is a table reflecting the rate classes and number of rates (tariffs) for each rate class.

Rate Class	Residential	Small & Medium Commercial	Large Commercial	Agriculture	Lighting
Customers	90,045	10,147	462	565	1,211
PG&E Tariffs	28	23	13	19	12

By combining rates which have historically been the same and moved together, PEA has developed a proposed rate schedule which collapses PG&E rate schedule, as follows:

- Residential rates from 28 to 5
- Small and medium commercial rates from 23 to 10
- Large commercial has essentially remained the same
- Agriculture from 19 to 12
- Lighting from 12 to 5

Proposed Pioneer Rate Schedules

Residential	Commercial	Large Com./Industrial	Agricultural and Pumping	Other
E-1	A-1-A A-1-A-P A-1-B (TOU) A-1-B-P (TOU)	All are TOU S, P, and T refer to service voltage	AG-1-A (connected load) AG-1-B (demand)	SL (Street Lights)
E-6 (TOU)	A-6 (TOU) A-6-P (TOU)	E-19-S (Demand) E-19-P (Demand) E-19-T (Demand)	AG-RA (TOU, connected load) AG-RB (TOU, demand)	TC-1 (Traffic Control)
EV (Electric Vehicle TOU)	A-10-A (Demand) A-10-A-P (Demand)	E-19-R-S (Energy) E-19-R-P (Energy) E-19-R-T (Energy)	AG-VA (TOU, connected load) AG-VB (TOU, demand)	A-ST-S (Standby) A-ST-P (Standby) A-ST-T (Standby)
E-TOU-A	A-10-B (TOU, Demand) A-10-B-P (TOU, Demand)	E-20-S (Demand) E-20-P (Demand) E-20-T (Demand)	AG-4-A (TOU, connected load) AG-4-B (TOU, demand) AG-4-C (TOU, demand)	
E-TOU-B		E-20-R-S (Energy) E-20-R-P (Energy) E-20-R-T (Energy)	AG-5-A (TOU, connected load) AG-5-B (TOU, demand) AG-5-C (TOU, demand)	

The methodology applied to the PG&E rate schedule to derive Pioneer's proposed rates is, as follows:

$$\text{Pioneer Rate} = (97\% \times \text{PG\&E Current Generation Rate}) - \text{PCIA}^1 - \text{FFS}^2$$

This formula guarantees that Pioneer's rates are set below PG&E's current generation rates, net of the additional charges PG&E places on community choice aggregation (CCA) customers, such as Pioneer's customers.

The example, below, shows that Pioneer's Residential E-1 generation rate will be \$0.06566 per kWh compared to PG&E's \$0.9838. After the PCIA and FFS charges are added, the resulting Pioneer rate is three percent less than the PG&E rate.

¹ PCIA – Power Charge Indifference Adjustment charged by PG&E to Pioneer customers, in addition to transmission charges, to compensate for electric supply purchased by PG&E on behalf of Pioneer customers at prices above current market rates. See Attachment A – Discussion of PCIA

² FFS - Franchise Fee Surcharge charged by PG&E to Pioneer customers to pay municipal franchise fees.

Residential E-1 Rate Design Example

Rate Component	PG&E Generation	PCIA	FFS	Pioneer Generation
ENERGY CHARGE (\$/KWH)	0.09838	*0.97 - 0.02919 - 0.00058 =		0.06566

The result of this methodology for a residential customer using 745 KWh of electricity is a savings of \$2.19.

Generation Cost Comparison Residential (E-1)

	Pioneer	PG&E
Usage (KWh)	745	745
Gen. Rate (\$/KWh)	0.09543	0.09838
Monthly Gen. Cost (\$)	\$71.10	\$73.29

To date, all CCAs have used this methodology by specifying the amount of rate reduction they seek to achieve, relative to PG&E rates. The reductions have ranged from 1% to 5%.

Sometime in January, the CPUC (California Public Utilities Commission) is expected to approve rate requests from PG&E. PG&E has requested the following rate changes:

1. **PG&E Above-Market Portfolio Cost Collection (PCIA).** PG&E forecasts in the early spring that its PCIA fee will increase by 14.4% on January 1, 2018, although the actual change will not be published until a day or two before the new rate goes into effect. The impact of this change will be an increase in the PCIA, which is added to Pioneer customers' transmission charges.
2. **PG&E Electric Generation Rate Change.** PG&E's forecast of their generation rate for bundled service customers is a 4 to 6% increase over the prevailing generation rate.
3. **PG&E Transmission and Distribution Rate Change (T&D).** PG&E's forecast of their delivery rates on all electric customers is for a range of changes from a 1% increase to a 16% decrease, depending on rate class.

If the CPUC grants PG&E the generation rate increases it has requested, the affect will be to widen the discount provided by Pioneer. However, if the PCIA increases substantially, it could wipe out the discount provided by Pioneer rates. Reduction in T&D rates affect Pioneer and PG&E customers, equally; therefore, even though the PCIA is added to the transmission charge, it does not truly offset the PCIA, as non-Pioneer customers also receive the same benefit of the rate reduction.

The CPUC is expected to grant at least a 4% increase in PG&E's, which will nearly offset the 14.4% increase in the PCIA. Therefore, Pioneer's rates are expected to remain approximately at a three percent discount from PG&E's rate.

Once the CPUC has taken action on PG&E's rate requests, PEA will be requested to review Pioneer's rate structure and provide the Pioneer to PG&E rate differentials. Should the Board desire to ensure that Pioneer's rates remain at least 3% less than PG&E's electric generation rate, less the PCIA and FFS, subject to the January CPUC rate decision, it is recommended that the Executive Director be authorized to take the necessary actions to make one-time rate adjustments, based on the January CPUC rate decision. Staff will report the findings and any action related to the one-time rate adjustment to the Board at the next Board meeting.

Net Energy Metering Net Surplus Compensation Rate. On December 4, 2017, your Board received a presentation from PEA regarding NEM and NSC rates. The primary purpose of a NEM tariff is to address energy produced by customer-sited, small-scale renewable generating projects. There are approximately 15,000 NEM customers within Pioneer's service territory (≈15% of total accounts, based on recent PG&E data; this is generally higher than other CCAs, which typically fall in the range of 8-10%).

NEM NSC is limited to Renewables Portfolio Standard-eligible, or "RPS-eligible", renewable generating technologies. However, while Pioneer's compensation to customers for net surplus production of renewable energy offsets overall purchases of energy, it does not count as part of Pioneer's RPS portfolio or otherwise reduce Pioneer's RPS obligation.

NEM customers are either billed or compensated for their net energy consumption. If the customer uses more than they produce, the customer is billed. If the customer produces more than it uses, then the customer is compensated for the amount of energy produced over what was consumed. Since June 2016, PG&E's NSC has not exceeded \$0.03/kWh. Surplus producing PG&E NEM customers with November 2017 true-up dates received \$0.02793/kWh.

Example: Energy Used – Energy Produced = Energy Billed or Energy Compensated

Typically, this formula is applied once per year, usually on the anniversary of the installation, to determine the net billable or net compensation amount. Pioneer plans to convert NEM customers separately from the mass enrollment planned for February 2018. NEM customers will be converted to Pioneer within 30 days of their true-up date to avoid negative impacts that may be caused by converting prior to the generation phase of their true-up cycle. This will likely result in six NEM conversion enrollments commencing after the initial conversion of customers to Pioneer service. While all other customers began receiving notices on December 5th, regarding Pioneer service, NEM customers will receive a separate notice subsequent to your Board's action on the NEM NSC rate, which will explain Pioneer service for NEM customers and inform them that they will be notified prior to their conversion later in the year.

At the November 4, 2017 meeting, your Board directed that the Pioneer Rate Schedule include a NEM/NSC rate of \$0.03 per kWh.

Consistent with PG&E's responsibility for T&D, PG&E will continue to oversee the NEM generator interconnection process; larger projects may be subject to CAISO.

Rate Schedule Pursuant to the Board's direction, Pioneer's proposed rate schedules have been prepared to produce a three percent discount below PG&E's rates. Attachment A presents the proposed Pioneer



generation rates for each applicable rate schedule and provides a comparison to the equivalent PG&E generation rates currently in effect."The comparison details the following information:

- PG&E's rate categories and how they are condensed into Pioneer's rate categories
- Pioneer's electric generation rate
- The PCIA and FFS surcharges added to Pioneer customer bills by PG&E
- The total for Pioneer electric generation, plus PCIA and FFS
- PG&E's electric generation rate
- The difference between Pioneer's customer charges for electric generation, and PG&E surcharges and electric generation rate

The attached resolution includes Pioneer's rate schedule for electric generation, only. It also includes a provision authorizing the Executive Director to make a one-time adjustment to the rates to ensure a minimum 3% discount once the pending the PG&E rate decision of the California Public Utilities Commission has been issued.

FISCAL IMPACT

The Proposed Budget and financial pro-forma have accounted for a three percent rate reduction below PG&E rates, and for increases in the PCIA, as well as procurement of energy supply at a market rate of \$0.03 per kWh. Any one-time adjustments to the rates that the Executive Director is authorized to make to reflect the Board directed three percent discount from PG&E rates, are also within the margins of the Proposed Budget and financial pro-forma.

ATTACHMENTS

Attachment A, Electric Generation Rate Schedule Calculation

Resolution Approving Electric Generation Rates and Net Energy Metering Net Surplus Compensation Rates

Attachment A
Pioneer Community Energy
Electric Generation Rate Schedule Calculation

Rate Schedule	Time of Use Period	Pioneer Rates (Gen Only)	Pioneer Rates (PG&E Surcharges)	PG&E Current Generation Rate	Pioneer Rate Comparison
E-1	All	0.06566	0.09543	0.09838	-3%
E-1-P	All	0.06303	0.09280	NA	
	All	0.06303	0.09280	NA	
E-6	SUMMER PEAK	0.18044	0.21021	0.21671	-3%
	SUMMER PART-PEAK	0.08065	0.11042	0.11384	-3%
	SUMMER OFF-PEAK	0.03992	0.06969	0.07185	-3%
	WINTER PART-PEAK	0.06254	0.09231	0.09516	-3%
	WINTER OFF-PEAK	0.05134	0.08111	0.08362	-3%
EV (EV-A and EV-B)	SUMMER PEAK	0.19422	0.22399	0.23092	-3%
	SUMMER PART-PEAK	0.07817	0.10794	0.11128	-3%
	SUMMER OFF-PEAK	0.02448	0.05425	0.05593	-3%
	WINTER PEAK	0.05393	0.08370	0.08629	-3%
	WINTER PART-PEAK	0.02252	0.05229	0.05391	-3%
	WINTER OFF-PEAK	0.02641	0.05618	0.05792	-3%
E-TOU-A	SUMMER PEAK	0.14805	0.17782	0.18332	-3%
	SUMMER OFF-PEAK	0.07474	0.10451	0.10774	-3%
	WINTER PEAK	0.06333	0.09310	0.09598	-3%
	WINTER OFF-PEAK	0.04946	0.07923	0.08168	-3%
E-TOU-B	SUMMER PEAK	0.16963	0.19940	0.20557	-3%
	SUMMER OFF-PEAK	0.06966	0.09943	0.10251	-3%
	WINTER PEAK	0.06601	0.09578	0.09874	-3%
	WINTER OFF-PEAK	0.04777	0.07754	0.07994	-3%
A-1-A	SUMMER	0.08908	0.11172	0.11518	-3%
	WINTER	0.05422	0.07686	0.07924	-3%
A-1-A-P	SUMMER	0.08552	0.10816	NA	
	WINTER	0.05205	0.07469	NA	
A-1-B	PEAK	0.10429	0.12693	0.13086	-3%
	PART-PEAK	0.08135	0.10399	0.10721	-3%
	OFF-PEAK	0.05481	0.07745	0.07985	-3%
	PART-PEAK	0.08116	0.10380	0.10701	-3%
	OFF-PEAK	0.06088	0.08352	0.08610	-3%
A-1-B-P	PEAK	0.10012	0.12276	NA	
	PART-PEAK	0.07810	0.10074	NA	
	OFF-PEAK	0.05262	0.07526	NA	
	PART-PEAK	0.07791	0.10055	NA	
	OFF-PEAK	0.05844	0.08108	NA	

Attachment A
Pioneer Community Energy
Electric Generation Rate Schedule Calculation

Rate Schedule	Time of Use Period	Pioneer Rates (Gen Only)	Pioneer Rates (PG&E Surcharges)	PG&E Current Generation Rate	Pioneer Rate Comparison
A-10-A	SUMMER	0.07856	0.10177	0.10492	-3%
	SUMMER MAX	4.74000	4.74000	4.89000	-3%
	WINTER	0.05492	0.07813	0.08055	-3%
A-10-A-P	SUMMER	0.07053	0.09374	0.09664	-3%
	SUMMER MAX	4.15000	4.15000	4.28000	-3%
	WINTER	0.04990	0.07311	0.07537	-3%
A-10-B	PEAK	0.13172	0.15493	0.15972	-3%
	PART-PEAK	0.07824	0.10145	0.10459	-3%
	OFF-PEAK	0.05101	0.07422	0.07652	-3%
	SUMMER MAX	4.74000	4.74000	4.89000	-3%
	PART-PEAK	0.06277	0.08598	0.08864	-3%
	OFF-PEAK	0.04622	0.06943	0.07158	-3%
A-10-B-P	PEAK	0.12175	0.14496	0.14944	-3%
	PART-PEAK	0.07270	0.09591	0.09888	-3%
	OFF-PEAK	0.04687	0.07008	0.07225	-3%
	SUMMER MAX	4.15000	4.15000	4.28000	-3%
	PART-PEAK	0.05941	0.08262	0.08518	-3%
	OFF-PEAK	0.04401	0.06722	0.06930	-3%
A-6	PEAK	0.33127	0.35391	0.36486	-3%
	PART-PEAK	0.09888	0.12152	0.12528	-3%
	OFF-PEAK	0.04234	0.06498	0.06699	-3%
	PART-PEAK	0.06704	0.08968	0.09245	-3%
	OFF-PEAK	0.05007	0.07271	0.07496	-3%
A-6-P	PEAK	0.31802	0.34066	NA	
	PART-PEAK	0.09492	0.11756	NA	
	OFF-PEAK	0.04065	0.06329	NA	
	PART-PEAK	0.06436	0.08700	NA	
	OFF-PEAK	0.04807	0.07071	NA	
E-19-S	PEAK	0.10222	0.12175	0.12552	-3%
	PART-PEAK	0.06293	0.08246	0.08501	-3%
	OFF-PEAK	0.03691	0.05644	0.05819	-3%
	PEAK	12.25000	12.25000	12.63000	-3%
	PART-PEAK	3.03000	3.03000	3.12000	-3%
	PART-PEAK	0.05756	0.07709	0.07947	-3%
	OFF-PEAK	0.04337	0.06290	0.06485	-3%
E-19-P	PEAK	0.09336	0.11289	0.11638	-3%
	PART-PEAK	0.05613	0.07566	0.07800	-3%
	OFF-PEAK	0.03220	0.05173	0.05333	-3%
	PEAK	10.95000	10.95000	11.29000	-3%

Attachment A
Pioneer Community Energy
Electric Generation Rate Schedule Calculation

Rate Schedule	Time of Use Period	Pioneer Rates (Gen Only)	Pioneer Rates (PG&E Surcharges)	PG&E Current Generation Rate	Pioneer Rate Comparison
	PART-PEAK	2.67000	2.67000	2.75000	-3%
	PART-PEAK	0.05111	0.07064	0.07282	-3%
	OFF-PEAK	0.03811	0.05764	0.05942	-3%
E-19-T	PEAK	0.05838	0.07791	0.08032	-3%
	PART-PEAK	0.04615	0.06568	0.06771	-3%
	OFF-PEAK	0.02998	0.04951	0.05104	-3%
	PEAK	12.05000	12.05000	12.42000	-3%
	PART-PEAK	3.02000	3.02000	3.11000	-3%
	PART-PEAK	0.04808	0.06761	0.06970	-3%
	OFF-PEAK	0.03565	0.05518	0.05689	-3%
E-19-R-S	PEAK	0.23727	0.25680	0.26474	-3%
	PART-PEAK	0.09270	0.11223	0.11570	-3%
	OFF-PEAK	0.03691	0.05644	0.05819	-3%
	PART-PEAK	0.05756	0.07709	0.07947	-3%
	OFF-PEAK	0.04337	0.06290	0.06485	-3%
E-19-R-P	PEAK	0.22287	0.24240	0.24990	-3%
	PART-PEAK	0.08558	0.10511	0.10836	-3%
	OFF-PEAK	0.03220	0.05173	0.05333	-3%
	PART-PEAK	0.05111	0.07064	0.07282	-3%
	OFF-PEAK	0.03811	0.05764	0.05942	-3%
E-19-R-T	PEAK	0.22202	0.24155	0.24902	-3%
	PART-PEAK	0.08226	0.10179	0.10494	-3%
	OFF-PEAK	0.02998	0.04951	0.05104	-3%
	PART-PEAK	0.04808	0.06761	0.06970	-3%
	OFF-PEAK	0.03565	0.05518	0.05689	-3%
E-20-S	PEAK	0.09447	0.11320	0.11670	-3%
	PART-PEAK	0.05872	0.07745	0.07985	-3%
	OFF-PEAK	0.03418	0.05291	0.05455	-3%
	PEAK	11.87000	11.87000	12.24000	-3%
	PART-PEAK	2.93000	2.93000	3.02000	-3%
	PART-PEAK	0.05354	0.07227	0.07450	-3%
	OFF-PEAK	0.04024	0.05897	0.06079	-3%
E-20-P	PEAK	0.09835	0.11574	0.11932	-3%
	PART-PEAK	0.05895	0.07634	0.07870	-3%
	OFF-PEAK	0.03472	0.05211	0.05372	-3%
	PEAK	13.04000	13.04000	13.44000	-3%
	PART-PEAK	3.08000	3.08000	3.18000	-3%
	PART-PEAK	0.05376	0.07115	0.07335	-3%
	OFF-PEAK	0.04067	0.05806	0.05986	-3%

Attachment A
Pioneer Community Energy
Electric Generation Rate Schedule Calculation

Rate Schedule	Time of Use Period	Pioneer Rates (Gen Only)	Pioneer Rates (PG&E Surcharges)	PG&E Current Generation Rate	Pioneer Rate Comparison
E-20-T	PEAK	0.05978	0.07564	0.07798	-3%
	PART-PEAK	0.04792	0.06378	0.06575	-3%
	OFF-PEAK	0.03221	0.04807	0.04956	-3%
	PEAK	15.41000	15.41000	15.89000	-3%
	PART-PEAK	3.68000	3.68000	3.79000	-3%
	PART-PEAK	0.04978	0.06564	0.06767	-3%
	OFF-PEAK	0.03772	0.05358	0.05524	-3%
E-20-R-S	PEAK	0.21480	0.23353	0.24075	-3%
	PART-PEAK	0.08825	0.10698	0.11029	-3%
	OFF-PEAK	0.03418	0.05291	0.05455	-3%
	PART-PEAK	0.05354	0.07227	0.07450	-3%
	OFF-PEAK	0.04024	0.05897	0.06079	-3%
E-20-R-P	PEAK	0.23247	0.24986	0.25759	-3%
	PART-PEAK	0.08791	0.10530	0.10856	-3%
	OFF-PEAK	0.03472	0.05211	0.05372	-3%
	PART-PEAK	0.05376	0.07115	0.07335	-3%
	OFF-PEAK	0.04067	0.05806	0.05986	-3%
E-20-R-T	PEAK	0.22523	0.24109	0.24855	-3%
	PART-PEAK	0.08283	0.09869	0.10174	-3%
	OFF-PEAK	0.03221	0.04807	0.04956	-3%
	PART-PEAK	0.04978	0.06564	0.06767	-3%
	OFF-PEAK	0.03772	0.05358	0.05524	-3%
AG-1-A	SUMMER	0.07448	0.09634	0.09932	-3%
	SUMMER MAX	1.32000	1.32000	1.36000	-3%
	WINTER	0.05541	0.07727	0.07966	-3%
AG-1-B	SUMMER	0.07735	0.09921	0.10228	-3%
	SUMMER MAX	1.98000	1.98000	2.04000	-3%
	WINTER	0.05548	0.07734	0.07973	-3%
AG-RA	PEAK	0.23747	0.25933	0.26735	-3%
	OFF-PEAK	0.04345	0.06531	0.06733	-3%
	SUMMER	1.27000	1.27000	1.31000	-3%
	PART-PEAK	0.05037	0.07223	0.07446	-3%
	OFF-PEAK	0.03962	0.06148	0.06338	-3%
AG-RB	PEAK	0.21233	0.23419	0.24143	-3%
	OFF-PEAK	0.04297	0.06483	0.06684	-3%
	MAX	1.88000	1.88000	1.94000	-3%
	PEAK	2.11000	2.11000	2.18000	-3%
	PART-PEAK	0.03761	0.05947	0.06131	-3%
	OFF-PEAK	0.02879	0.05065	0.05222	-3%

Attachment A
Pioneer Community Energy
Electric Generation Rate Schedule Calculation

Rate Schedule	Time of Use Period	Pioneer Rates (Gen Only)	Pioneer Rates (PG&E Surcharges)	PG&E Current Generation Rate	Pioneer Rate Comparison
AG-VA	PEAK	0.20504	0.22690	0.23392	-3%
	OFF-PEAK	0.04082	0.06268	0.06462	-3%
	SUMMER	1.33000	1.33000	1.37000	-3%
	PART-PEAK	0.04889	0.07075	0.07294	-3%
	OFF-PEAK	0.03837	0.06023	0.06209	-3%
AG-VB	PEAK	0.18767	0.20953	0.21601	-3%
	OFF-PEAK	0.04121	0.06307	0.06502	-3%
	MAX	1.73000	1.73000	1.78000	-3%
	PEAK	2.22000	2.22000	2.29000	-3%
	PART-PEAK	0.03783	0.05969	0.06154	-3%
	OFF-PEAK	0.02897	0.05083	0.05240	-3%
AG-4-A	PEAK	0.13229	0.15415	0.15892	-3%
	OFF-PEAK	0.04469	0.06655	0.06861	-3%
	SUMMER	1.31000	1.31000	1.35000	-3%
	PART-PEAK	0.04867	0.07053	0.07271	-3%
	OFF-PEAK	0.03823	0.06009	0.06195	-3%
AG-4-B	PEAK	0.09620	0.11806	0.12171	-3%
	OFF-PEAK	0.04666	0.06852	0.07064	-3%
	MAX	2.32000	2.32000	2.39000	-3%
	PEAK	2.46000	2.46000	2.54000	-3%
	PART-PEAK	0.04495	0.06681	0.06888	-3%
	OFF-PEAK	0.03499	0.05685	0.05861	-3%
AG-4-C	PEAK	0.11329	0.13515	0.13933	-3%
	PART-PEAK	0.05465	0.07651	0.07888	-3%
	OFF-PEAK	0.03334	0.05520	0.05691	-3%
	PEAK	5.67000	5.67000	5.85000	-3%
	PART-PEAK	0.97000	0.97000	1.00000	-3%
	PART-PEAK	0.03940	0.06126	0.06315	-3%
	OFF-PEAK	0.03024	0.05210	0.05371	-3%
AG-5-A	PEAK	0.12241	0.14427	0.14873	-3%
	OFF-PEAK	0.04946	0.07132	0.07353	-3%
	SUMMER	3.59000	3.59000	3.70000	-3%
	PART-PEAK	0.05284	0.07470	0.07701	-3%
	OFF-PEAK	0.04185	0.06371	0.06568	-3%
AG-5-B	PEAK	0.11905	0.14091	0.14527	-3%
	OFF-PEAK	0.02551	0.04737	0.04884	-3%
	MAX	4.32000	4.32000	4.45000	-3%
	PEAK	5.40000	5.40000	5.57000	-3%
	PART-PEAK	0.04501	0.06687	0.06894	-3%

Attachment A
Pioneer Community Energy
Electric Generation Rate Schedule Calculation

Rate Schedule	Time of Use Period	Pioneer Rates (Gen Only)	Pioneer Rates (PG&E Surcharges)	PG&E Current Generation Rate	Pioneer Rate Comparison
AG-5-C	OFF-PEAK	0.01745	0.03931	0.04053	-3%
	PEAK	0.09431	0.11617	0.11976	-3%
	PART-PEAK	0.04522	0.06708	0.06915	-3%
	OFF-PEAK	0.02694	0.04880	0.05031	-3%
	PEAK	9.97000	9.97000	10.28000	-3%
	PART-PEAK	1.87000	1.87000	1.93000	-3%
	PART-PEAK	0.03242	0.05428	0.05596	-3%
	OFF-PEAK	0.02411	0.04597	0.04739	-3%
STOUS	PEAK	0.08624	0.09699	0.09999	-3%
	PART-PEAK	0.07085	0.08160	0.08412	-3%
	OFF-PEAK	0.05071	0.06146	0.06336	-3%
	All	0.38000	0.38000	0.39000	-3%
	PART-PEAK	0.07330	0.08405	0.08665	-3%
	OFF-PEAK	0.05770	0.06845	0.07057	-3%
	All	0.38000	0.38000	0.39000	-3%
STOUP	PEAK	0.08624	0.09699	0.09999	-3%
	PART-PEAK	0.07085	0.08160	0.08412	-3%
	OFF-PEAK	0.05071	0.06146	0.06336	-3%
	All	0.38000	0.38000	0.39000	-3%
	PART-PEAK	0.07330	0.08405	0.08665	-3%
	OFF-PEAK	0.05770	0.06845	0.07057	-3%
	All	0.38000	0.38000	0.39000	-3%
STOUT	PEAK	0.07069	0.08144	0.08396	-3%
	PART-PEAK	0.05791	0.06866	0.07078	-3%
	OFF-PEAK	0.04100	0.05175	0.05335	-3%
	All	0.31000	0.31000	0.32000	-3%
	PART-PEAK	0.05991	0.07066	0.07285	-3%
	OFF-PEAK	0.04694	0.05769	0.05947	-3%
	All	0.31000	0.31000	0.32000	-3%
STREET LIGHTING (LS-1, LS-2, LS-3 and OL-1)	All	0.07269	0.07757	0.07997	-3%
TC-1	All	0.06154	0.08418	0.08678	-3%

Before the Governing Board of Pioneer Community Energy

In the matter of:

Approving Pioneer Community Energy's
Electric Generation Rates For Its Unbundled
Customers, Effective February 1, 2018, To Set
Initial Rates At A 3% Discount Less Than
PG&E's Electric Generation Rates

Resolution No.: _

The following Resolution was duly passed by the Governing Board of Pioneer Community Energy at
a regular meeting held December 11, 2017, by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Chair, Board of the Governing Board

Attest:

Clerk of said Board

BE IT RESOLVED, by the Governing Board of Pioneer Community Energy, that

WHEREAS, Pioneer Community Energy ("Pioneer") was formed for the purpose of providing local control of energy resources, the adoption of programs to foster economic development, energy efficiency, and resource conservation; and

WHEREAS, Pioneer was also formed to promote the development and use of a wide range of energy sources and energy efficiency programs including, but not limited to, hydroelectric, biomass, landfill gas, conversion of waste-to-energy, solar, and wind energy production; and

WHEREAS, Pioneer has stated in its Amended and restated Joint Exercise of Powers Agreement that its purpose is:

- 1) Providing electric power and other forms of energy to customers at a competitive cost
- 2) Promoting long-term electric rate stability, energy security, and reliability for residents through local control of electric generation resources and the overall power supply portfolio
- 3) Carrying out programs to reduce energy consumption
- 4) Stimulating and sustaining the local economy by developing local jobs in renewable energy, and
- 5) Reducing greenhouse gas emissions related to the use of electric power and other forms of energy in Placer County and neighboring regions; and

WHEREAS, Pioneer has the authority to aggregate electric load to purchase and supply electricity for customers within their jurisdictions,

WHEREAS, Pioneer plans to launch service to its mass enrollment of customers beginning February 1, 2018; and

WHEREAS, the Governing Board of Pioneer Community Energy has received presentations and held discussions regarding the setting of the initial rates for its customers on October 30th, November 6th and December 4th of 2017; and

WHEREAS, Pioneer has caused to be published a legal notice of its intention to hold a public hearing on December 11, 2017, at 3:15 p.m. in the Board of Supervisors Chambers at 175 Fulweiler Avenue, Auburn, CA, and where the legal notice has appeared in the Auburn Journal, the Colfax Record, the Loomis News, and the Placer Herald on November 30th and December 7th, 2017; and

WHEREAS, PG&E is expected to further increase its electric generation rates between 4% and 6%, and to increase the Power Charge Indifference Adjustment (PCIA) by 14.4%; and

WHEREAS, the Governing Board has directed that proposed electric generation rate schedules be developed to achieve a 3% reduction from PG&E's electric generation rates, net of the PCIA and the Franchise Fee Surcharge (FFS), based on PG&E rates in effect as of October 31, 2017; and

WHEREAS, Pioneer's Proposed Budget and financial pro-forma reflect that Pioneer can accommodate the rates proposed, herein, including minor adjustments to ensure Pioneer's initial rates are three percent less than PG&E's electric generation rates; and

WHEREAS, the Pioneer Governing Board has held such a hearing and taken public comment.

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Board approves the Electric Generation Rate Schedule set forth in Attachment A, effective February 1, 2018, to set its electric generation rates for its unbundled customers at a 3% discount (net of PCIA and FFS) when compared to PG&E's electric generation rates, and the Net Energy Metering Net Compensation rate of \$0.03 per kWh; and

BE IT FURTHER RESOLVED, that the Executive Director is authorized to make the one-time adjustments necessary to ensure that, subject to the upcoming CPUC decision on PG&E rates, Pioneer electric generation rates are initially set to be 3% less (net of PCIA and FFS) than PG&E electric generation rates.

Attachment A
Pioneer Community Energy
Electric Generation Rate Schedule

Rate Schedule	Time of Use Period	Pioneer Rates
E-1	All	0.06566
E-1-P	All	0.06303
	All	0.06303
E-6	SUMMER PEAK	0.18044
	SUMMER PART-PEAK	0.08065
	SUMMER OFF-PEAK	0.03992
	WINTER PART-PEAK	0.06254
	WINTER OFF-PEAK	0.05134
EV (EV-A and EV-B)	SUMMER PEAK	0.19422
	SUMMER PART-PEAK	0.07817
	SUMMER OFF-PEAK	0.02448
	WINTER PEAK	0.05393
	WINTER PART-PEAK	0.02252
	WINTER OFF-PEAK	0.02641
E-TOU-A	SUMMER PEAK	0.14805
	SUMMER OFF-PEAK	0.07474
	WINTER PEAK	0.06333
	WINTER OFF-PEAK	0.04946
E-TOU-B	SUMMER PEAK	0.16963
	SUMMER OFF-PEAK	0.06966
	WINTER PEAK	0.06601
	WINTER OFF-PEAK	0.04777
A-1-A	SUMMER	0.08908
	WINTER	0.05422
A-1-A-P	SUMMER	0.08552
	WINTER	0.05205
A-1-B	PEAK	0.10429
	PART-PEAK	0.08135
	OFF-PEAK	0.05481
	PART-PEAK	0.08116
	OFF-PEAK	0.06088
A-1-B-P	PEAK	0.10012
	PART-PEAK	0.07810
	OFF-PEAK	0.05262
	PART-PEAK	0.07791
	OFF-PEAK	0.05844

Attachment A
Pioneer Community Energy
Electric Generation Rate Schedule

Rate Schedule	Time of Use Period	Pioneer Rates
A-10-A	SUMMER	0.07856
	SUMMER MAX	4.74000
	WINTER	0.05492
A-10-A-P	SUMMER	0.07053
	SUMMER MAX	4.15000
	WINTER	0.04990
A-10-B	PEAK	0.13172
	PART-PEAK	0.07824
	OFF-PEAK	0.05101
	SUMMER MAX	4.74000
	PART-PEAK	0.06277
	OFF-PEAK	0.04622
A-10-B-P	PEAK	0.12175
	PART-PEAK	0.07270
	OFF-PEAK	0.04687
	SUMMER MAX	4.15000
	PART-PEAK	0.05941
	OFF-PEAK	0.04401
A-6	PEAK	0.33127
	PART-PEAK	0.09888
	OFF-PEAK	0.04234
	PART-PEAK	0.06704
	OFF-PEAK	0.05007
A-6-P	PEAK	0.31802
	PART-PEAK	0.09492
	OFF-PEAK	0.04065
	PART-PEAK	0.06436
	OFF-PEAK	0.04807
E-19-S	PEAK	0.10222
	PART-PEAK	0.06293
	OFF-PEAK	0.03691
	PEAK	12.25000
	PART-PEAK	3.03000
	PART-PEAK	0.05756
	OFF-PEAK	0.04337
E-19-P	PEAK	0.09336
	PART-PEAK	0.05613
	OFF-PEAK	0.03220
	PEAK	10.95000

Attachment A
Pioneer Community Energy
Electric Generation Rate Schedule

Rate Schedule	Time of Use Period	Pioneer Rates
	PART-PEAK	2.67000
	PART-PEAK	0.05111
	OFF-PEAK	0.03811
E-19-T	PEAK	0.05838
	PART-PEAK	0.04615
	OFF-PEAK	0.02998
	PEAK	12.05000
	PART-PEAK	3.02000
	PART-PEAK	0.04808
	OFF-PEAK	0.03565
E-19-R-S	PEAK	0.23727
	PART-PEAK	0.09270
	OFF-PEAK	0.03691
	PART-PEAK	0.05756
	OFF-PEAK	0.04337
E-19-R-P	PEAK	0.22287
	PART-PEAK	0.08558
	OFF-PEAK	0.03220
	PART-PEAK	0.05111
	OFF-PEAK	0.03811
E-19-R-T	PEAK	0.22202
	PART-PEAK	0.08226
	OFF-PEAK	0.02998
	PART-PEAK	0.04808
	OFF-PEAK	0.03565
E-20-S	PEAK	0.09447
	PART-PEAK	0.05872
	OFF-PEAK	0.03418
	PEAK	11.87000
	PART-PEAK	2.93000
	PART-PEAK	0.05354
	OFF-PEAK	0.04024
E-20-P	PEAK	0.09835
	PART-PEAK	0.05895
	OFF-PEAK	0.03472
	PEAK	13.04000
	PART-PEAK	3.08000
	OFF-PEAK	0.05376
	OFF-PEAK	0.04067

Attachment A
Pioneer Community Energy
Electric Generation Rate Schedule

Rate Schedule	Time of Use Period	Pioneer Rates
E-20-T	PEAK	0.05978
	PART-PEAK	0.04792
	OFF-PEAK	0.03221
	PEAK	15.41000
	PART-PEAK	3.68000
	PART-PEAK	0.04978
	OFF-PEAK	0.03772
E-20-R-S	PEAK	0.21480
	PART-PEAK	0.08825
	OFF-PEAK	0.03418
	PART-PEAK	0.05354
	OFF-PEAK	0.04024
E-20-R-P	PEAK	0.23247
	PART-PEAK	0.08791
	OFF-PEAK	0.03472
	PART-PEAK	0.05376
	OFF-PEAK	0.04067
E-20-R-T	PEAK	0.22523
	PART-PEAK	0.08283
	OFF-PEAK	0.03221
	PART-PEAK	0.04978
	OFF-PEAK	0.03772
AG-1-A	SUMMER	0.07448
	SUMMER MAX	1.32000
	WINTER	0.05541
AG-1-B	SUMMER	0.07735
	SUMMER MAX	1.98000
	WINTER	0.05548
AG-RA	PEAK	0.23747
	OFF-PEAK	0.04345
	SUMMER	1.27000
	PART-PEAK	0.05037
	OFF-PEAK	0.03962
AG-RB	PEAK	0.21233
	OFF-PEAK	0.04297
	MAX	1.88000
	PEAK	2.11000
	PART-PEAK	0.03761
	OFF-PEAK	0.02879

Attachment A
Pioneer Community Energy
Electric Generation Rate Schedule

Rate Schedule	Time of Use Period	Pioneer Rates
AG-VA	PEAK	0.20504
	OFF-PEAK	0.04082
	SUMMER	1.33000
	PART-PEAK	0.04889
	OFF-PEAK	0.03837
AG-VB	PEAK	0.18767
	OFF-PEAK	0.04121
	MAX	1.73000
	PEAK	2.22000
	PART-PEAK	0.03783
	OFF-PEAK	0.02897
AG-4-A	PEAK	0.13229
	OFF-PEAK	0.04469
	SUMMER	1.31000
	PART-PEAK	0.04867
	OFF-PEAK	0.03823
AG-4-B	PEAK	0.09620
	OFF-PEAK	0.04666
	MAX	2.32000
	PEAK	2.46000
	PART-PEAK	0.04495
	OFF-PEAK	0.03499
AG-4-C	PEAK	0.11329
	PART-PEAK	0.05465
	OFF-PEAK	0.03334
	PEAK	5.67000
	PART-PEAK	0.97000
	PART-PEAK	0.03940
	OFF-PEAK	0.03024
AG-5-A	PEAK	0.12241
	OFF-PEAK	0.04946
	SUMMER	3.59000
	PART-PEAK	0.05284
	OFF-PEAK	0.04185
AG-5-B	PEAK	0.11905
	OFF-PEAK	0.02551
	MAX	4.32000
	PEAK	5.40000
	PART-PEAK	0.04501

Attachment A
Pioneer Community Energy
Electric Generation Rate Schedule

Rate Schedule	Time of Use Period	Pioneer Rates
AG-5-C	OFF-PEAK	0.01745
	PEAK	0.09431
	PART-PEAK	0.04522
	OFF-PEAK	0.02694
	PEAK	9.97000
	PART-PEAK	1.87000
	PART-PEAK	0.03242
	OFF-PEAK	0.02411
STOUS	PEAK	0.08624
	PART-PEAK	0.07085
	OFF-PEAK	0.05071
	All	0.38000
	PART-PEAK	0.07330
	OFF-PEAK	0.05770
	All	0.38000
STOUP	PEAK	0.08624
	PART-PEAK	0.07085
	OFF-PEAK	0.05071
	All	0.38000
	PART-PEAK	0.07330
	OFF-PEAK	0.05770
	All	0.38000
STOUT	PEAK	0.07069
	PART-PEAK	0.05791
	OFF-PEAK	0.04100
	All	0.31000
	PART-PEAK	0.05991
	OFF-PEAK	0.04694
	All	0.31000
STREET LIGHTING (LS-1, LS-2, LS-3 and OL-1)	All	0.07269
TC-1	All	0.06154



TO: The Governing Board
DATE: December 11, 2017
FROM: Jenine Windeshausen, Executive Director
SUBJECT: Sublease Office Suites at 2510 Warren Drive Suites B and C, Rocklin, CA

ACTION REQUESTED:

Approve and authorize the Executive Director to execute a Sublease between the Pioneer Community Energy and Placer County for commercial premises located at 2510 Warren Drive in Rocklin, CA, at an initial rent of \$9,933 per month, with 3% annual increases throughout the initial term of 88 months, subject to General Counsel review and approval.

BACKGROUND:

The facility lease under consideration will bring the Community Choice Aggregation program (CCA) and related programs together in an approximately 6,020 square foot office at 2510 Warren Drive, Suites B and C, in Rocklin (Premises). Both programs will be operated by Pioneer Community Energy.

Since November 2016, staff has worked with the County's Property Management division and its Commercial Real Estate Broker to locate office space for Pioneer. After physically inspecting numerous locations, the search was narrowed to 2510 Warren Drive, Suites B and C, Rocklin, CA.

The Premises:

- Provides a convenient/centralized location, just minutes off Interstate 80 in Rocklin.
- Requires minimal tenant improvements, resulting in lower rent than the other properties that were considered.
- Can be expanded, due to proximity to an adjacent suite and other buildings in the office complex.
- Is appealing and functional, with a modern and creative build-out, and provides sufficient space for work stations, abundant natural light, and a collaborative work environment.

While the Landlord is eager to lease the space for use by Pioneer, the Landlord expressed concerns that, as a new organization, Pioneer does not have a prior tenancy record. The most expedient way to address this issue is for the County to enter into a Master Lease Agreement, subject to the Landlord's agreement to sublease the Premises to Pioneer. The other alternative would have been for the Landlord to undertake a review of Pioneer's budget and financing, which would have involved extensive resources for the Landlord to review the related financial pro-forma and bond



documents. With this key understanding, Property Management and its Broker have successfully negotiated the following Lease terms with the Landlord:

Master Lease Agreement:

- Parties are the County and the Trustees of the Hull Survivor's Trust (Landlord).
- Landlord shall deliver 6,020 rental square feet (Premises) in turn-key condition, providing specific improvements (e.g., paint, carpeting, and additional lighting).
- 88 month initial term with two consecutive five-year options.
- Rent is \$9,933 per month (based on \$1.65 per square foot per month). Landlord will accept rent directly from Pioneer. Four months free rent applied in months 13, 25, 37 and 49 (totaling \$42,802.65).
- Rent increases by 3%, annually, throughout initial and option terms.
- County responsible for electricity, gas (if any), phone, cable, internet, security and janitorial.
- Landlord responsible for all other maintenance and operating expenses.
- County has right of first offer to lease contiguous space.
- Landlord approves County's sublease to Pioneer and assignment of Master Lease to Pioneer after two years, subject to Landlord's reasonable consent.
- Landlord responsible for commissions paid to County's Broker (4% of initial term gross rent over first 60 months of initial term and 2% for remaining 28 months of initial term).

Sublease

- Parties are the County and Pioneer.
- County subleases the Premises to Pioneer, subject to the terms and conditions of the Master Lease Agreement (above).
- Pioneer to reimburse County for its costs to negotiate the lease agreements and to provide furnishings, fixtures and equipment.
- Pioneer to indemnify and provide insurance to County.

In order to accommodate Pioneer program requirements, on Tuesday, December 12, 2017, the Placer County Board of Supervisors will consider approving and authorizing the Director of Public Works and Facilities, or designee, to enter into a Master Lease Agreement and Sublease Agreement, based on the terms outlined above and in substantially the same form as the draft, attached.

ENVIRONMENTAL IMPACT: This action is Categorically Exempt from review pursuant to CEQA Guidelines Section 15301, as a lease and minor alteration of an existing structure.



FISCAL IMPACT: Rent associated with Pioneer's tenancy in the Premises will commence at \$9,933 per month, with rent increasing by 3 percent, annually. Funding for the rent and additional costs for data/cabling, alarm systems, security access and systems will be paid directly by Pioneer.

Up to \$600,000 is required to provide for negotiation of the Master Lease Agreement and Sublease, the purchase and installation of furnishings and equipment, and reimbursement of the Landlord, in an amount not to exceed \$30,000, for improvements to the Premises that benefit the County or Pioneer's occupancy. Pioneer will reimburse the County within thirty days of the Lease Commencement Date. Rent costs will be funded by Pioneer Community Energy.

On file with Secretary of the Governing Board:
Draft Master Lease and Sublease



TO: The Governing Board
DATE: December 11, 2017
FROM: Jenine Windeshausen, Executive Director
SUBJECT: Financing

ACTION REQUESTED

Approve a resolution authorizing the issuance and sale of bonds to the Placer County Treasurer in an aggregate principal amount not to exceed \$40,000,000, to finance administrative and operational expenses, and the acquisition of power supply and related transaction costs, and other costs related the Community Choice Aggregation (CCA) Program, and approving the form and authorizing the execution of a bond purchase agreement and authorizing actions related to the issuance of the bonds.

BACKGROUND

On September 11, 2017 your Board adopted a Proposed Budget for FY 2017-18 in the amount of \$37,188,092. On November 13, 2017, your Board received a presentation from NCPA (Northern California Power Agency) on the procurement of Pioneer's power supply. The Board also received information on the budget projections at its November 6, 2017 meeting.

The attached resolution provides for the issuance of a \$40 million bond, maturing on June 1, 2023, to finance administrative and operational expenses, the acquisition of power supply and related transaction costs, and other costs related to the CCA Program. The bonds will be purchased by the Placer County Treasurer and held in the Placer County Treasurer's Investment Portfolio. Pursuant to Government Code Section 53601, the purchase of an investment in excess of five years to maturity requires the express consent of the Board of Supervisors who will consider providing their approval on December 12, 2017.

The key terms of the Bond are as follows:

- Issued in an amount not to exceed \$40 million
- Maturing on June 1, 2023 (5 ½ years)
- Interest Rate 2.65%, fixed
- Form of bond is a "draw-down" bond with the ability for Pioneer to make draws the first working day of each month
- Interest paid semiannually
- Principal amortized over 30 years and paid annually on June 1, based on outstanding balance as of May 1
- Prepayment on the first business day of any month without prepayment penalt



- Outstanding balance must be paid in full at maturity, June 1, 2023 (balloon payment)
- Pioneer must maintain the Placer County Treasurer as its treasurer and maintain its accounts in the Placer County Treasury. Designation of another Treasurer and withdrawal from the Treasury renders the bonds due and payable in full
- Security for repayment are the revenues of the CCA program
- The Treasurer may attach the accounts held in the Treasury as a remedy of default

The bonds are designed to operate like a line of credit to minimize interest costs. Conventional bonds would require lump sum proceeds repaid pursuant to a debt service schedule subject to a prepayment premium for the first five to ten years. The bonds are also designed to provide Pioneer with financial support in its early years until it is able to establish credit in the financial and energy markets.

The Bond and Bond Purchase Contract are in substantial form. The Resolution authorizes the Board Chair, Executive Director and other officials to take the actions necessary to issue and sell the bonds, including making non-substantive changes to the Bond and Bond Purchase Contract. The resolution also calls the appointment of Quit and Thimmig LLC, as bond counsel, and authorizes the execution of a contract with bond counsel for services related to the development of the Resolution, Bond, Bond Purchase Contract and legal opinion for \$25,000,000.

The interest rate provided to Pioneer is very competitive and the terms are more flexible and favorable than can otherwise be found in the municipal or commercial finance markets.

FISCAL IMPACT

The interest included in the Proposed Budget for FY 2017-18 is \$899,285, which is likely significantly more than what will be needed to pay interest, as the interest rate is less than projected and the amount to be borrowed is likely to be less than anticipated.

ATTACHMENTS

Bond Resolution and Form of Bond Purchase Contract and Bond

PIONEER COMMUNITY ENERGY

RESOLUTION NO. _____

RESOLUTION OF THE GOVERNING BOARD OF PIONEER COMMUNITY ENERGY AUTHORIZING THE ISSUANCE AND SALE OF BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$40,000,000, TO FINANCE ADMINISTRATIVE AND OPERATIONAL EXPENSES, THE ACQUISITION OF POWER SUPPLY AND RELATED TRANSACTION COSTS, AND OTHER COSTS RELATED TO ITS COMMUNITY CHOICE AGGREGATION PROGRAM, APPROVING THE FORM AND AUTHORIZING THE EXECUTION OF A BOND PURCHASE AGREEMENT AND AUTHORIZING ACTIONS RELATED THERETO

Adopted December 11, 2017

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EXHIBIT C:	FORM OF ADVANCE REQUEST

PIONEER COMMUNITY ENERGY

RESOLUTION NO. ____

RESOLUTION OF THE GOVERNING BOARD OF PIONEER COMMUNITY ENERGY AUTHORIZING THE ISSUANCE AND SALE OF BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$40,000,000, TO FINANCE ADMINISTRATIVE AND OPERATIONAL EXPENSES AND THE ACQUISITION OF POWER SUPPLY AND RELATED TRANSACTION COSTS, AND OTHER COSTS RELATED TO ITS COMMUNITY CHOICE AGGREGATION PROGRAM, APPROVING THE FORM AND AUTHORIZING THE EXECUTION OF A BOND PURCHASE AGREEMENT AND AUTHORIZING ACTIONS RELATED THERETO

WHEREAS, Pioneer Community Energy, a joint exercise of powers entity ("Pioneer"), has determined to issue its revenue bonds pursuant to Articles 1 through 4 of Chapter 5, Division 7, Title 1 of the California Government Code and the Amended and Restated Joint Exercise of Powers Agreement, dated February 22, 2017, as amended, by and among the County of Placer and the Cities of Auburn, Colfax, Lincoln and Rocklin and the Town of Loomis;

WHEREAS, Pioneer proposes to issue its Pioneer Community Energy Revenue Bonds, Series 2017, in the principal amount of \$40,000,000 (the "Bonds") to finance the cost of administrative and operational expenses, and the purchase of power and related transaction costs, and other costs related to Pioneer's community choice aggregation program and pay the costs of issuance of the Bonds;

WHEREAS, to provide for the payment of principal of and interest on the Bonds, Pioneer will pledge its gross revenues;

NOW, THEREFORE, BE IT RESOLVED by the Governing Board of Pioneer Community Energy as follows:

ARTICLE I

DEFINITIONS; AUTHORITY

Section 1.01. Definitions. The terms defined in this Section 1.01, as used and capitalized herein, shall, for all purposes of this Resolution, have the meanings ascribed to them below, unless the context clearly requires some other meaning.

"Administrative and Operational Costs" means the reasonable and necessary costs paid or incurred by Pioneer or paid or incurred by Pioneer, if payable out of Gross Revenues, to purchase, sell, exchange or otherwise dispose of electrical capacity or output, including reasonable amounts for administration, salaries and wages of employees, overhead, insurance, taxes' (if any) and other similar costs, and including all reasonable and necessary costs or charges required to be paid by Pioneer to comply with all contract and regulatory requirements relating to its administration and operations, and including all reasonable and necessary costs of Pioneer or charges required to be paid by it to comply with the terms hereof and fees and expenses of accountants, independent engineers and other consultants, but excluding in all cases depreciation, replacement and obsolescence charges or reserves therefor, amortization of intangibles.

"Authorized Investments" means any investments permitted by law to be made with moneys belonging to, or in the custody of, Pioneer, as limited by Pioneer's investment policy, as set forth in applicable law, including but not limited to section 53601 of the California Government Code.

"Board" means the governing board of Pioneer.

"Bond Counsel" means (a) the firm of Quint & Thimmig LLP, or (b) any other attorney or firm of attorneys nationally recognized for expertise in rendering opinions as to the legality of securities issued by public entities.

"Bond Purchase Agreement" means the Bond Purchase Agreement by and between Pioneer and the Owner, for the purchase and sale of the Bonds.

"Bonds" means the Pioneer Community Energy Revenue Bonds, Series 2017.

"Business Day" means a day other than a Saturday, a Sunday or a day on which the New York Stock Exchange is closed or banks in Pioneer are authorized or obligated by law or executive order to close.

"Closing Date" means the date upon which there is a physical delivery of the Bonds in exchange for the amount representing the first advance of the Bonds by the Owner.

"Costs of Issuance" means all items of expense directly or indirectly payable by or reimbursable to Pioneer and related to the authorization, issuance, sale and delivery of the Bonds, including but not limited to the costs of preparation and reproduction of documents,

printing expenses, filing and recording fees, fees and disbursements of consultants and professionals, fees and disbursements of counsel to the Owner, fees and charges for preparation, execution and safekeeping of the Bonds and any other cost, charge or fee in connection with the original issuance of the Bonds.

"County" means Placer County, California, a political subdivision of the State.

"Debt Service Account" means the account by that name established and held by Pioneer pursuant to Section 4.02.

"Federal Securities" means non-callable United States Treasury notes, bonds, bills or certificates of indebtedness, or any other obligations the timely payment of which is directly or indirectly guaranteed by the faith and credit of the United States of America.

"Fiscal Year" means any twelve-month period beginning on July 1 in any year and extending to the next succeeding June 30, both dates inclusive, or any other twelve month period selected and designated by Pioneer as its official fiscal year period.

"Gross Revenues" means all gross income and revenue received by Pioneer related to its community choice aggregation program, including revenues from the sale of electricity, from disposition of electric energy and related power products, and other services associated with providing electric generation products, and other amounts held by the Authority related to its community choice aggregation program, including investment earnings thereon. Gross Revenues shall specifically exclude moneys related to the assessment bonds issued by Pioneer under its PACE program, mPOWER.

"Interest Payment Date" means (i) June 1 and December 1 in each year, commencing June 1, 2018, and (ii) the date any Bonds mature or are redeemed or are otherwise paid in full.

"Law" means Articles 1 through 4 of Chapter 5, Division 7, Title 1 of the California Government Code, as is in effect on the date of adoption hereof and as amended hereafter.

"Net Revenues" means Gross Revenues less Administrative and Operational Costs.

"Outstanding," when used as of any particular time with reference to Bonds, means all Bonds except: (a) Bonds theretofore canceled by Pioneer or surrendered to Pioneer for cancellation; (b) Bonds paid or deemed to have been paid within the meaning of Section 8.02 hereof; and (c) Bonds in lieu of or in substitution for which other Bonds shall have been authorized, executed, issued and delivered by Pioneer pursuant to this Resolution.

"Owner" means the Placer County Treasurer, as purchaser of the Bonds.

"Redemption Account" means the account by that name established and held by Pioneer pursuant to Section 4.03.

"Pioneer Representative" means the Chair of the Board, Executive Director or any other person authorized by resolution of the Board to act on behalf of Pioneer with respect to this Resolution and the Bonds.

"Resolution" means this Resolution, as originally adopted by the Board and including all amendments hereto and supplements hereof which are duly adopted by the Board from time to time in accordance herewith.

"Revenue Fund" means the fund by that name, established and held by Pioneer.

"Supplemental Resolution" means any resolution supplemental to or amendatory of this Resolution, adopted by the Board in accordance with Article VI.

"Written Request of Pioneer" means an instrument in writing signed by a Pioneer Representative or by any other officer of Pioneer duly authorized to act on behalf of Pioneer pursuant to a written certificate of a Pioneer Representative.

Section 1.02. Interpretation.

(a) Unless the context otherwise indicates, words expressed in the singular shall include the plural and vice versa and the use of the neuter, masculine, or feminine gender is for convenience only and shall be deemed to include the neuter, masculine or feminine gender, as appropriate.

(b) Headings of articles and sections herein and the table of contents hereof are solely for convenience of reference, do not constitute a part hereof and shall not affect the meaning, construction or effect hereof.

(c) All references herein to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Resolution; the words "herein," "hereof," "hereby," "hereunder" and other words of similar import refer to this Resolution as a whole and not to any particular Article, Section or subdivision hereof.

Section 1.03. Authority for this Resolution; Findings. This Resolution is entered into pursuant to the provisions of the Law. It is hereby certified that all of the things, conditions and acts required to exist, to have happened or to have been performed precedent to and in the issuance of the Bonds do exist, have happened or have been performed in due and regular time and manner as required by the laws of the State of California, and that the amount of the Bonds, together with all other indebtedness of Pioneer, does not exceed any limit prescribed by any laws of the State of California.

ARTICLE II

THE BONDS

Section 2.01. Authorization. Bonds in the aggregate principal amount of not to exceed forty million dollars (\$40,000,000) are hereby authorized to be issued by Pioneer under and subject to the terms of the Law and this Resolution to finance the cost of "administrative and operational expenses, and the purchase of power and related transaction costs, and other costs related to Pioneer's community choice aggregation program and pay the costs of issuance of the Bonds. This Resolution constitutes a continuing agreement with the Owner to secure the full and final payment of principal of and interest on all Bonds which may from time to time be executed and delivered hereunder, subject to the covenants, agreements, provisions and conditions herein contained. The Bonds shall be designated the "Pioneer Community Energy Revenue Bonds, Series 2017."

Section 2.02. Terms of Bonds.

(a) *Form; Numbering*. The Bonds shall be issued as one fully registered bond, without coupons, in the full principal amount thereof. The Bonds shall be delivered in physical form and shall not be subject to any book entry system.

(b) *Date of Bonds*. The Bonds shall be dated as of their date of delivery.

(c) *Maturity*. The Bonds shall mature, subject to the provisions of Section 2.03, on June 1, 2023.

(d) *Interest*. Interest on the Bonds shall be payable on each Interest Payment Date, at a the rate of 2.65% per annum. Such interest will accrue from the next preceding Interest Payment Date except that interest payable on the first Interest Payment Date will accrue from the Closing Date; *provided, however*, that if, on any Interest Payment Date, interest on the Bonds is in default, interest shall be payable from the Interest Payment Date to which interest represented hereby has previously been paid or made available for payment.

(e) *Payment*. Principal of and interest on the Bonds (including the final interest payment upon maturity or earlier redemption) is payable by check of Pioneer mailed via first-class mail to the Owner at such address as the Owner may have filed with Pioneer for that purpose or by an accounting entry through the County Treasury.

(f) *Drawn Down Bonds*. The Bonds are draw-down bonds. The total principal amount of the Bonds that may be delivered hereunder is hereby expressly limited to \$40,000,000, provided that the amount of Bonds Outstanding at any time shall include only those Bonds for which the purchase price has been advanced from time to time by the Owner. No Bonds may be delivered under the provisions of this Resolution except in accordance with this Article II. The Owner shall fund the purchase price of the Bonds as requested by Pioneer from time to time pursuant to the submittal by Pioneer of an advance request, substantially in the form attached hereto as Exhibit C, approved by the Owner. Such funded amount shall be transferred to Pioneer.

Following each such draw, the aggregate amount of Bonds purchased shall be deemed Outstanding and such amount so drawn down shall begin to accrue interest. The first draw on the Closing Date, shall be the amount set forth in Section 4.01(a).

Section 2.03. Redemption.

(a) *Optional Redemption.* The Bonds are callable for redemption at the option of Pioneer, in whole or in part on the first Business Day of any month, (in inverse order of sinking fund payment date), by payment of principal, plus accrued interest to date of redemption, without premium.

(b) *Mandatory Sinking Fund Redemption.* The Bonds shall be subject to mandatory sinking fund redemption on each June 1, commencing June 1, 2018, in an amount established for such date in accordance with a 30-year amortization schedule prepared by the Owner and delivered to Pioneer, based upon the Outstanding principal amount of the Bonds advanced to through the May 1 date preceding such June 1 mandatory sinking fund payment date, at a redemption price equal to one hundred percent (100%) of the principal amount thereof to be redeemed (without premium), together with interest accrued thereon to the date fixed for redemption. If some but not all of the Bonds have been optionally redeemed, the aggregate principal amount of such Bonds to be redeemed by mandatory sinking fund redemption in each year shall be reduced to reflect such redemption.

(c) *Notice of Redemption.* Pioneer shall give written notice of the redemption of the Bonds as provided herein at the expense of Pioneer. Such notice shall specify: (a) that the Bonds or a designated portion thereof are to be redeemed, and (b) the date of notice and the date of redemption,. Such notice shall further state that on the specified date there shall become due and payable upon each Bond to be redeemed, the portion of the principal amount of such Bond to be redeemed, together with interest accrued to said date, and redemption premium, if any, and that from and after such date interest with respect thereto shall cease to accrue and be payable.

Written notice of redemption shall be given by Pioneer to the Owner by registered or otherwise secured mail or delivery service, postage prepaid, at least fifteen (15) days prior to the redemption date.

(e) *Partial Redemption of Bonds.* Upon the surrender of any Bond redeemed in part only, Pioneer shall execute and deliver to the Owner a new Bond or Bonds of like tenor and maturity equal in aggregate principal amount to the unredeemed portion of the Bonds surrendered. Such partial redemption shall be valid upon payment of the amount required to be paid to the Owner in good funds and Pioneer shall be released and discharged thereupon from all liability to the extent of such payment.

(f) *Effect of Redemption.* Notice having been given as aforesaid, and the moneys for the redemption (including the interest to the applicable date of redemption) having been set aside for such purpose, the Bonds to be redeemed shall become due and payable on such date of redemption.

If on such redemption date, money for the redemption of all the Bonds to be redeemed as provided in this Section 2.03, together with interest to such redemption date, shall be held by Pioneer so as to be available therefor on such redemption date, and if notice of redemption thereof shall have been given as aforesaid, then from and after such redemption date and payment to the Owner on such redemption date, interest with respect to the Bonds to be redeemed shall cease to accrue and become payable. All money held by or on behalf of Pioneer for the redemption of Bonds shall be held in trust for the account of the Owner.

All Bonds paid at maturity or redeemed prior to maturity pursuant to the provisions of this Section 2.03 shall be canceled upon surrender thereof and be delivered to or upon the order of Pioneer.

Bonds (or portions thereof), which have been duly called for redemption prior to maturity under the provisions of this Resolution and sufficient moneys shall be held by Pioneer irrevocably in trust for the payment of the redemption price of such Bonds or portions thereof, all as provided in this Resolution, then such Bonds shall no longer be deemed outstanding and shall be surrendered to Pioneer for cancellation.

Section 2.04. Form of Bonds. The Bonds shall be substantially in the form with necessary or appropriate variations, omissions and insertions, as permitted or required by this Resolution, as is set forth in Exhibit A attached hereto.

Section 2.05. Execution of Bonds. The Bonds shall be executed on behalf of Pioneer by the manual or facsimile signature of the Chair of the Board and attested by the manual or facsimile signature its Secretary of the Board (although at least one of such signatures shall be manual) who are in office on the date of adoption of this Resolution or at any time thereafter. If any officer whose signature appears on the Bonds ceases to be such officer before delivery of the Bonds to the purchaser, such signature shall nevertheless be as effective as if the officer had remained in office until the delivery of the Bonds to the purchaser. Any Bonds may be signed and attested on behalf of Pioneer by such persons as at the actual date of the execution of such Bond shall be the proper officers of Pioneer although at the nominal date of such Bond any such person shall not have been such officer of Pioneer.

Section 2.06. No Transfer or Exchange. The Bonds are not transferable or exchangeable.

Section 2.07. Temporary Bonds. The Bonds may be initially issued in temporary form exchangeable for definitive Bonds when ready for delivery. The temporary Bonds may be printed, lithographed or typewritten, and may contain such reference to any of the provisions of this Resolution as may be appropriate. Every temporary Bond shall be executed by Pioneer upon the same conditions and in substantially the same manner as the definitive Bonds. If Pioneer issues temporary Bonds it will execute and furnish definitive Bonds without delay and thereupon the temporary Bonds may be surrendered, for cancellation, in exchange therefor and Pioneer shall deliver in exchange for such temporary Bonds definitive Bonds. Until so exchanged, the temporary Bonds shall be entitled to the same benefits pursuant to this Resolution as definitive Bonds executed and delivered hereunder.

Section 2.08. Bonds Mutilated, Lost, Destroyed or Stolen. If any Bond shall become mutilated Pioneer, at the expense of the Owner, shall execute and deliver, a new Bond in exchange and substitution for the Bond so mutilated, but only upon surrender to Pioneer of the Bond so mutilated. Every mutilated Bond so surrendered to Pioneer shall be canceled by it and delivered to, or upon the order of, Pioneer. If any Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to Pioneer and, if such evidence be satisfactory to Pioneer and indemnity satisfactory to it shall be given, Pioneer, at the expense of the Owner, shall execute and deliver, a new Bond in lieu of and in substitution for the Bond so lost, destroyed or stolen. Pioneer may require payment of a sum not exceeding the actual cost of preparing each new Bond issued under this Section 2.08 and of the expenses which may be incurred by Pioneer in connection therewith. Any Bond issued under the provisions of this Section 2.08 in lieu of any Bond alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of Pioneer whether or not the Bond so alleged to be lost, destroyed or stolen be at any time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of this Resolution.

ARTICLE III

SALE AND ISSUANCE OF BONDS; SECURITY FOR THE BONDS

Section 3.01. Sale, Issuance and Delivery of Bonds.

(a) *Issuance of Bonds.* At any time after the execution of this Resolution and award of the sale of the Bonds, Pioneer may issue and deliver Bonds in the aggregate principal amount of not to exceed forty million dollars (\$40,000,000).

(b) *Sale of Bonds.* The Board hereby authorizes the negotiated sale of the Bonds to the Owner. A Bond Purchase Agreement, in the form attached hereto as Exhibit B, together with any additions thereto or changes therein deemed necessary or advisable by a Pioneer Representative, or any designee thereof, is hereby approved by the Board. Any Pioneer Representative or any designee thereof is hereby authorized and directed to execute the Bond Purchase Agreement for and in the name and on behalf of Pioneer.

(c) *Preparation of Bonds.* The Pioneer Representatives, or any designee thereof, are hereby directed to cause the Bonds to be printed, signed and sealed.

Section 3.02. Official Action. All actions heretofore taken by the officers and agents of Pioneer with respect to the sale and issuance of the Bonds are hereby approved, and the Chair of the Board, Executive Director, and any and all other officers of Pioneer are hereby authorized and directed for and in the name and on behalf of Pioneer, to do any and all things and take any and all actions relating to the execution and delivery of any and all certificates, requisitions, agreements and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Bonds in accordance with this resolution.

Section 3.03. Pledge and Application of Net Revenues.

(a) *Pledge of Net Revenues.* All of the Net Revenues are hereby irrevocably pledged, charged and assigned to the punctual payment of the principal of and interest on the Bonds and except as otherwise provided herein the Net Revenues and such other funds shall not be used for any other purpose so long as any of the Bonds remain unpaid. Such pledge, charge and assignment shall constitute a first lien on the Net Revenues and such other moneys for the payment of the principal of and interest on the Bonds in accordance with the terms hereof.

(b) *Deposits Into Revenue Fund; Transfers to Make Debt Service Payments.* All of the Gross Revenues shall be deposited by Pioneer immediately upon receipt in the Revenue Fund which Pioneer shall hereby create and maintain. Pioneer covenants and agrees that all Net Revenues will be held by Pioneer in the Revenue Fund in trust for the benefit of the Owner.

Pioneer shall withdraw from the Revenue Fund such amounts at such times as shall be required to: (i) pay all Administrative and Operational Costs as they come due and payable;

and (ii) transfer to the Debt Service Account, in accordance with Section 4.02, amounts required to pay the principal of and interest on the Bonds.

(c) *Release from Lien.* Following the transfer described in Section 4.02 with respect to the June 1 Interest Payment Date, Net Revenues in excess of amounts required for the payment of principal of and interest on the Bonds in that Fiscal Year shall be released from the lien of this Resolution and shall be available for any lawful purpose of Pioneer.

Section 3.04. Special Obligation of Pioneer; Obligations Absolute. Pioneer's obligation to pay the principal of and interest on the Bonds and any other amounts coming due and payable hereunder shall be a special obligation of Pioneer limited solely to the Net Revenues and amounts on deposit in the Revenue Fund. Under no circumstances shall Pioneer be required to advance moneys derived from any source of income other than the Net Revenues and other sources specifically identified herein for the payment of the principal of and interest on the Bonds, nor shall any other funds or property of Pioneer be liable for the payment of the principal of and interest on the Bonds and any other amounts coming due and payable hereunder.

The obligations of Pioneer to pay the principal of and interest on the Bonds from the Net Revenues and to perform and observe the other agreements contained herein shall be absolute and unconditional and shall not be subject to any defense or any right of setoff, counterclaim or recoupment arising out of any breach of the Pioneer of any obligation Pioneer, whether hereunder or otherwise, or out of indebtedness or liability at any time owing to the Pioneer. Until such time as the principal of and interest on all Bonds and all other amounts coming due and payable hereunder shall have been fully paid or prepaid, Pioneer (a) will not suspend or discontinue payment of the principal of and interest on all Bonds or such other amounts, (b) will perform and observe all other agreements contained in this Resolution, and (c) will not terminate the term of the Bonds for any cause.

Section 3.05. Limitations on Future Obligations Secured by Net Revenues. In order to protect further the availability of the Net Revenues and the security for the payment of the principal of and interest on the Bonds, Pioneer hereby agrees that the Pioneer shall not, so long as any Bonds are outstanding, issue or incur any obligations payable from Gross Revenues or Net Revenues equal or superior to the Bonds..

Section 3.06. Appointment of Bond Counsel. Pioneer hereby appoints Quint & Thimmig LLP, Larkspur, California, as bond counsel to Pioneer in connection with the Community Choice Aggregation Program. The Board hereby authorizes and directs the Chairperson, Executive Director, and Treasurer of Pioneer to enter into an appropriate agreement with Quint & Thimmig LLP for its services to Pioneer in connection with the matters addressed in this Resolution, subject to the approval of General Counsel. Such agreement shall not be in an amount to exceed \$25,000.

ARTICLE IV

APPLICATION OF PROCEEDS OF THE SALE OF THE BONDS; ACCOUNTS; INVESTMENT

Section 4.01. Application of Proceeds of Sale of Bonds. On the Closing Date, the proceeds of sale of the Bonds, being the first advance of the Bonds, shall be paid by the Owner as follows:

(a) to Bond Counsel, the amount required to pay the fees and expenses of Bond Counsel in connection with the offering and sale of the Bonds; and

(b) to Pioneer, the initial amount required for wholesale power acquisition and related expenses and required for administrative and operational expenses of Pioneer.

Section 4.02. Debt Service Account.

(a) There is hereby created an account to be known as the "Debt Service Account" (the "Debt Service Account"), which shall be maintained by Pioneer as a separate account, held in trust, distinct from all other funds and accounts of Pioneer. The Debt Service Account shall be administered and disbursements made in the manner and in the order progressively set forth in this Section 4.02.

(b) On or before the Business Day immediately preceding each Interest Payment Date, Pioneer shall transfer to the Debt Service Fund from available funds of Pioneer an amount which, when added to the amount contained in the Debt Service Account on that date, if any, will be equal to the aggregate amount of the interest becoming due and payable on the Outstanding Bonds on such Interest Payment Date.

(c) On or before the Business Day immediately preceding each Interest Payment Date, Pioneer shall transfer to the Debt Service Fund from available funds of Pioneer an amount which will be equal to the principal or sinking fund installment, if any, becoming due and payable on such Interest Payment Date.

(d) All moneys in the Debt Service Account shall be used and withdrawn by Pioneer solely for the purpose of paying the principal of and interest on the Bonds as the same shall become due and payable. On each Interest Payment Date, Pioneer shall apply moneys on deposit in the Debt Service Account to the payment of principal of or interest on the Bonds, or both.

Section 4.03. Redemption Account. There is hereby created by Pioneer, a separate account to be known as the Redemption Account" (the "Redemption Account"), which shall be maintained by Pioneer as a separate account, distinct from all other funds and accounts. The Redemption Account shall be maintained by Pioneer to pay for the prior optional redemption of the Bonds. Any funds legally available may, at any time, at the option of Pioneer, be deposited in the Redemption Account and applied to the prior optional redemption of Bonds pursuant to Section 2.03(a).

Section 4.04. Investment of Moneys. All money belonging to Pioneer shall be deposited in the County Treasury. Amounts on deposit in the Debt Service Account and the Redemption Account may be invested in Authorized Investments. Earnings on the investment of amounts held in any fund or account established hereunder shall be credited to the respective fund or account from which such investments are made.

ARTICLE V

COVENANTS OF PIONEER

Section 5.01. Punctual Payment. Pioneer shall punctually pay, or cause to be paid, the principal of and interest on the Bonds, in strict conformity with the terms of the Bonds and of this Resolution, and it will faithfully observe and perform all of the conditions, covenants and requirements of this Resolution and of the Bonds. Nothing herein contained shall prevent Pioneer from making advances of its own moneys howsoever derived to any of the uses or purposes permitted by law.

Section 5.02. Extension of Time for Payment. In order to prevent any accumulation of claims for interest after maturity, Pioneer will not, directly or indirectly, extend or consent to the extension of the maturity of the Bonds or the time for the payment of any claim for interest on any of the Bonds and will not, directly or indirectly, approve any such arrangement by purchasing or funding said claims for interest or in any other manner. In case the maturity of the Bonds or the time of payment of any such claim for interest shall be extended or funded, whether or not with the consent of Pioneer, such Bonds or claim for interest so extended or funded shall not be entitled, in case of default hereunder, to the benefits of this Resolution, except subject to the prior payment in full of the principal of all of the Bonds then Outstanding and of all claims for interest which shall not have so extended or funded.

Section 5.03. Books and Accounts. Pioneer will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of Pioneer in which complete and correct entries shall be made of all transactions relating to the Bonds. Such books of record and accounts shall at all times during business hours be subject to the inspection of the Owner.

Section 5.04. Protection of Security and Rights of Owner. Pioneer will preserve and protect the security of the Bonds and the rights of the Owner, and will warrant and defend their rights against all claims and demands of all persons. From and after the sale and delivery of any of the Bonds by Pioneer, the Bonds shall be incontestable by Pioneer.

Section 5.05. Further Assurances. Pioneer will adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Resolution, and for the better assuring and confirming unto the Owner of the rights and benefits provided in this Resolution.

Section 5.06. Accounting Records, Financial Statements, Budget and Information.

(a) Pioneer shall at all times keep, or cause to be kept, proper books of record and account, prepared in accordance with generally accepted accounting principles, in which complete and accurate entries shall be made of all transactions of or in relation to the business, properties and operations of Pioneer. Such books of record and account shall be available for inspection by the Owners at reasonable hours and under reasonable circumstances.

(b) Pioneer shall furnish the Owner the Authority and the Trustee, within thirty (30) days of receipt by Pioneer of its audited financial statements, and in any event within two hundred seventy (270) days after the end of each Fiscal Year, with copies of its complete financial statements (including a balance sheet, a statement of operations, a statement of changes in net assets, a statement of cash flows and such other financial reports and schedules as may have been delivered to Pioneer in connection with such financial statements), together with the report and opinion of an Accountant stating that the financial statements have been prepared in accordance with generally accepted accounting principles (with such exceptions as are not objected to by the Owner) and that such Accountant's examination was performed in accordance with generally accepted auditing standards.

(c) Pioneer shall also furnish the Owner with an annual operating budget, within thirty (30) days after such budget is proposed and within thirty (30) after such budget is approved.

(d) Pioneer shall notify the Owner if there is any proposed change to Pioneer's risk management policy.

(e) Pioneer shall notify the Owner if the opt-put rate of energy purchasers exceeds 20%.

(f) Promptly upon the request of the Authority, the Trustee or the Initial Owner, to the extent permitted by law, such other information regarding the financial position, results of operations, business or prospects of Pioneer as the Owner may reasonably request from time to time.

(g) Pioneer shall, at any reasonable time and from time to time, upon prior written notice, permit the Owner, and their respective representatives and agents, to (i) inspect the premises and the accounting records and books of Pioneer for the purpose of verifying compliance by Pioneer with the covenants contained herein, (ii) examine and make copies of and abstracts from the accounting records and books of account of Pioneer, (iii) discuss the affairs, finances and accounts of Pioneer with any of its officers or directors and (iv) upon notice to Pioneer, communicate with Pioneer's independent certified public accountants.

(h) Promptly upon learning of such occurrence, Pioneer shall provide written notice to the Owner of any of the following; (i) discovery that a representation or warranty made by Pioneer in this Resolution or the Bond Purchase Contract is inaccurate in any material respect, (ii) any material breach by Pioneer under this Resolution or the Bond Purchase Agreement, or (iii) the filing of any claim or suit, or the threat of any litigation, or the commencing of any administrative proceedings against Pioneer respecting this Resolution, the Bonds or the Bond Purchase Agreement or (if such claim, suit, litigation, or proceeding could materially adversely affect the interest of the Owner or the security for the Bonds.

ARTICLE VI

EVENTS OF DEFAULT AND REMEDIES

Section 6.01. Events of Default. The following events shall be Events of Default:

(a) Default in the due and punctual payment of the principal of any Bonds when and as the same shall become due and payable.

(b) Default in the due and punctual payment of any installment of interest on any Bonds when and as the same shall become due and payable.

(c) Default by Pioneer in the observance of any of the other covenants, agreements or conditions on its part contained in this Resolution or the Bonds, if such default shall have continued for a period of ten (10) days after written notice thereof, specifying such default and requiring the same to be remedied, shall have been given to Pioneer by the Owner; *provided, however*, if in the reasonable judgment of Pioneer the default stated in the notice can be corrected, but not within such ten (10) day period, such default shall not constitute an Event of Default if corrective action is instituted by Pioneer within such ten (10) day period and diligently pursued until the default is corrected, but in no event shall any such cure period extend longer than twenty (20) days without the consent of the Owner.

(d) The filing by Pioneer, or any filing required by State law to be made by Pioneer, of a petition or answer seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law of the United States of America, or the approval by a court of competent jurisdiction of a petition, filed with or without the consent of Pioneer, seeking reorganization of Pioneer under the federal bankruptcy laws or any other applicable law of the United States of America, or the assumption of custody or control of Pioneer or of the whole or any substantial part of its property, under the provisions of any other law for the relief or aid of debtors, by any court of competent jurisdiction.

(e) In the event the Board takes any action to appoint a Treasurer other than the County Treasurer, the Board hereby agrees that any amounts owing pursuant to the terms of this Resolution, the Bonds, and the Bond Purchase Agreement shall be immediately due and payable, and shall be paid prior to appointment of a new Treasurer. Such revocation and/or delegation shall not be effective until the amount owing is paid in full.

(f) In the event the Board takes any action to delegate the authority to invest money or other funds, including surplus funds under the control of the Board to any one, or any entity, other than the County Treasurer, or take any action to revoke the County Treasurer's authority to invest money or other funds, including surplus funds, any amounts remaining owing, pursuant to the terms of this Resolution, the Bonds and the Bond Purchase Agreement shall become immediately due and payable, and shall be paid prior to any such delegation or revocation of authority. Such revocation and/or delegation shall not be effective until the amount owing is paid in full.

Upon the occurrence and during the continuance of any Event of Default, the Owner shall unanimously declare the principal of all of the Bonds then Outstanding, and the interest accrued thereon, to be due and payable immediately, and upon any such declaration the same shall become and shall be immediately due and payable anything in this Resolution or in the Bonds contained to the contrary notwithstanding, and upon such declaration of acceleration, interest shall cease to accrue on the Bonds.

Section 6.02. Remedies of Owner. Upon the happening and continuation of any Event of Default by Pioneer hereunder or under the Bonds, the Owner shall have the right:

(a) to present a claim against Pioneer's account against the Pioneer's current fiscal year revenues held in the County Treasury, to direct the County Auditor to make such distributions to the Owner as may be required to satisfy any defaulted amount;

(b) by mandamus, suit, action or proceeding, to compel Pioneer and its members, officers, agents or employees to perform each and every term, provision and covenant contained in this Resolution and in the Bonds, and to require the carrying out of any or all such covenants and agreements of Pioneer and the fulfillment of all duties imposed upon it;

(c) by suit, action or proceeding in equity, to enjoin any acts or things which are unlawful, or the violation of any of the Owner's rights; or

(d) by suit, action or proceeding in any court of competent jurisdiction, to require Pioneer and its members and employees to account as if it and they were the trustee of an express trust.

(e) present a claim against Pioneer's account, against Pioneer's current fiscal year revenues held in the County Treasury, to direct the County Auditor to make such distributions to the Owner as may be required to satisfy any defaulted amount.

(f) attach Pioneer's account and of any of Pioneer's funds held in the County Treasury, and direct the County Auditor and/or the County Treasurer to make such distributions to the Owner as may be required to satisfy any defaulted amounts.

Section 6.03. Remedies Not Exclusive. No remedy herein conferred upon the Owner shall be exclusive of any other remedy and that each and every remedy shall be cumulative and shall be in addition to every other remedy given hereunder or thereafter conferred on the Owner.

Section 6.04. Absolute Obligation of Pioneer. Pioneer's obligation to pay the principal of and interest on the Bonds to the Owner when due and all of its other obligations hereunder and under the Bond Purchase Agreement are absolute and unconditional under any and all circumstances and notwithstanding any amendment or waiver of or any consent to departure from any circumstance or happening whatsoever, whether or not similar to any of the foregoing. To the fullest extent permitted by law, Pioneer hereby waives presentment, demand, notice of demand, protest, notice of protest, notice of dishonor and notice of non-payment and all statutes of limitation, and Pioneer agrees that any forbearance, change of interest rate or

acceptance, release or substitution of any security, guaranty or loan or any change of any term or condition hereunder and under the Bond Purchase Agreement (other than by mutual agreement between Pioneer and the Owner) shall not in any way affect the liability of Pioneer hereunder and under the Bond Purchase Agreement.

Section 6.05. Application of Revenues and Other Funds After Default. All amounts received by the Owner pursuant to any right given or action taken under the provisions of this Resolution shall be applied in the following order upon presentation of the Bonds, and the stamping thereon of the amount of the payment if only partially paid, or upon the surrender thereof if fully paid:

First, to the payment of any and all expenses necessary, in the opinion of the Owner, to protect the interests of the Owner;

Second, at the Owner's direction, to the payment of the whole amount then owing and unpaid upon the Bonds for interest and principal, with interest on such overdue amounts to the extent permitted by law at the net effective rate of interest then borne by the Outstanding Bonds, and in case such moneys shall be insufficient to pay in full the whole amount so owing and unpaid upon the Bonds, then to the payment of such interest, principal and interest on overdue amounts without preference or priority among such interest, principal and interest on overdue amounts ratably to the aggregate of such interest, principal and interest on overdue amounts.

Section 6.06. Non-Waiver. Nothing in this Article VI or in any other provision of this Resolution, or in the Bonds, shall affect or impair the obligation of Pioneer, which is absolute and unconditional, to pay the interest on and principal of the Bonds to the Owner at the date of maturity, as herein provided.

A waiver of any default or breach of duty or contract by the Owner shall not affect any subsequent default or breach of duty or contract, or impair any rights or remedies on any such subsequent default or breach. No delay or omission of any Owner of any of the Bonds to exercise any right or power accruing upon any default or breach shall impair any such right or power or shall be construed to be a waiver of any such default or breach or an acquiescence therein; and every power and remedy conferred upon the Owner by this Article VI may be enforced and exercised from time to time and as often as shall be deemed expedient by the Owner.

ARTICLE VII

AMENDMENTS

Section 7.01. Amendments Effective Without Consent of the Owner. For any one or more of the following purposes and at any time or from time to time, a Supplemental Resolution of Pioneer may be adopted, which, without the requirement of consent of the Owner, shall be fully effective in accordance with its terms:

(a) To add to the covenants and agreements of Pioneer in this Resolution, other covenants and agreements to be observed by Pioneer which are not contrary to or inconsistent with this Resolution as theretofore in effect;

(b) To establish any additional funds or accounts to be held under this Resolution; or

(c) To cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision in this Resolution, which in any event shall not materially adversely affect the interests of the Owner, in the opinion of Bond Counsel filed with Pioneer.

Section 7.02. Amendments Effective With Consent to the Owner. Any modification or amendment of this Resolution and of the rights and obligations of Pioneer and of the Owner, in any particular, may be made by a Supplemental Resolution, with the written consent of the Owner. No such modification or amendment shall permit a change in the terms of maturity of the principal of any the Bonds or of any interest payable thereon or a reduction in the principal amount thereof or in the rate of interest thereon, or shall change any of the provisions in Section 7.01 hereof relating to Events of Default, or shall reduce the amount of moneys pledged for the repayment of the Bonds without the consent of the Owner.

Section 7.03. Effect of Supplemental Resolution. From and after the time any Supplemental Resolution becomes effective pursuant to this Article VII, this Resolution shall be deemed to be modified and amended in accordance therewith, the respective rights, duties and obligations of the parties hereto or thereto and the Owner, as the case may be, shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modification and amendment, and all the terms and conditions of any Supplemental Resolution shall be deemed to be part of the terms and conditions of this Resolution for any and all purposes.

Section 7.04. Endorsement or Replacement of Bonds After Amendment. After the effective date of any amendment or modification hereof pursuant to this Article VII, Pioneer may determine that the Bonds shall bear a notation, by endorsement in form approved by Pioneer, as to such amendment or modification and in that case upon demand of Pioneer, the Owner shall present such Bonds for that purpose, and thereupon a suitable notation as to such action shall be made on such Bonds. In lieu of such notation, Pioneer may determine that, at the expense of Pioneer, new Bonds shall be prepared and executed in exchange for any or all of the Bonds and in that case upon demand of Pioneer the Owner shall present such Bonds for exchange without cost to the Owner.

ARTICLE VIII

MISCELLANEOUS

Section 8.01. Benefits of Resolution Limited to Parties. Nothing in this Resolution, expressed or implied, is intended to give to any person other than Pioneer and the Owner, any right, remedy, claim under or by reason of this Resolution. Any covenants, stipulations, promises or agreements in this Resolution contained by and on behalf of Pioneer shall be for the sole and exclusive benefit of the Owner. Whenever in this Resolution or any Supplemental Resolution either Pioneer is named or referred to, such reference shall be deemed to include the successor to the powers, duties and functions, with respect to the management, administration and control of the affairs of Pioneer, that are presently vested in Pioneer, and all the covenants, agreements and provisions contained in this Resolution by or on behalf of Pioneer shall bind and inure to the benefit of its successors whether so expressed or not.

Section 8.02. Defeasance.

(a) *Discharge of Resolution.* Bonds may be paid by Pioneer in any of the following ways, provided that Pioneer also pays or causes to be paid any other sums payable hereunder by Pioneer:

(i) by paying or causing to be paid the principal of and interest on Outstanding Bonds, as and when the same become due and payable;

(ii) by irrevocably depositing, in trust, at or before maturity, money or securities in the necessary amount (as provided in Section 8.02(c) hereof) to pay or redeem Outstanding Bonds; or

(iii) by delivering Outstanding Bonds to Pioneer for cancellation by it.

If Pioneer shall pay all Outstanding Bonds and shall also pay or cause to be paid all other sums payable hereunder by Pioneer, then and in that case, at the election of Pioneer, and notwithstanding that any Bonds shall not have been surrendered for payment, this Resolution, and all covenants, agreements and other obligations of Pioneer under this Resolution shall cease, terminate, become void and be completely discharged and satisfied, except only as provided in Section 8.02(b).

(b) *Discharge of Liability on Bonds.* Upon the deposit, in trust, at or before maturity, of money or securities in the necessary amount (as provided in Section 8.02(c) hereof) to pay or redeem any Outstanding Bond (whether upon or prior to its maturity or the redemption date of such Bond), provided that, if such Bond is to be redeemed prior to maturity, notice of such redemption shall have been given as provided in Section 2.03 or provision shall have been made for the giving of such notice, then all liability of Pioneer in respect of such Bond shall cease and be completely discharged, except only that thereafter the Owner thereof shall be entitled only to payment of the principal of and interest on such Bond by Pioneer, and Pioneer shall remain liable for such payment, but only out of such money or securities deposited as aforesaid for

such payment, provided further, however, that the provisions of Section 8.02(d) shall apply in all events.

Pioneer may at any time cancel any Bonds previously issued and delivered, which Pioneer may have acquired in any manner whatsoever, and such Bonds, upon such surrender and cancellation, shall be deemed to be paid and retired.

(c) *Deposit of Money or Securities* . Whenever in this Resolution it is provided or permitted that there be deposited with or held in trust money or securities in the necessary amount to pay or redeem any Bonds, the money or securities so to be deposited or held may include money or securities held by in the funds and accounts established pursuant to this Resolution deposited in the County Treasury and shall be:

(i) lawful money of the United States of America in an amount equal to the principal amount of such Bonds and all unpaid interest thereon to maturity, except that, in the case of Bonds which are to be redeemed prior to maturity and in respect of which notice of such redemption shall have been given as provided in Section 2.03 or provision shall have been made for the giving of such notice, the amount to be deposited or held shall be the principal amount of such Bonds and all unpaid interest thereon to the redemption date; or

(ii) Federal Securities the principal of and interest on which when due, in the opinion of a certified public accountant delivered to Pioneer, will provide money sufficient to pay the principal of and all unpaid interest to maturity, or to the redemption date, as the case may be, on the Bonds to be paid or redeemed, as such principal and interest become due, provided that, in the case of Bonds which are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given as provided in Section 2.03 or provision satisfactory to the Owner shall have been made for the giving of such notice.

(d) *Payment of Bonds After Discharge of Resolution*. Notwithstanding any provisions of this Resolution, any moneys held in trust for the payment of the principal of, or interest on, any Bonds and remaining unclaimed for two (2) years after the principal of all of the Bonds has become due and payable (whether at maturity or upon call for redemption or by acceleration as provided in this Resolution), if such moneys were so held at such date, or two (2) years after the date of deposit of such moneys if deposited after said date when all of the Bonds became due and payable, shall, upon request of Pioneer, be repaid to Pioneer free from the trusts created by this Resolution.

Section 8.03. Execution of Documents and Proof of Ownership by Owner. Any request, declaration or other instrument which this Resolution may require or permit to be executed by Owner may be in one or more instruments of similar tenor, and shall be executed by the Owner in person or by their attorneys appointed in writing.

Except as otherwise herein expressly provided, the fact and date of the execution by any Bonds Owner or his attorney of such request, declaration or other instrument, or of such writing appointing such attorney, may be proved by the certificate of any notary public or other officer

authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the person signing such request, declaration or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer.

Section 8.04. Waiver of Personal Liability. No Board member, officer, agent or employee of Pioneer shall be individually or personally liable for the payment of the principal of or interest on the Bonds; but nothing herein contained shall relieve any such Board member, officer, agent or employee from the performance of any official duty provided by law.

Section 8.05. Destruction of Canceled Bonds. Whenever in this Resolution provision is made for the surrender to Pioneer of any Bonds which have been paid or canceled pursuant to the provisions of this Resolution, a certificate of destruction shall be deemed to be the equivalent of the surrender of such canceled Bonds and Pioneer shall be entitled to rely upon any statement of fact contained in any certificate with respect to the destruction of any such Bonds therein referred to.

Section 8.06. Funds and Accounts. Any fund or account required by this Resolution to be established and maintained by Pioneer may be established and maintained in the accounting records of Pioneer either as a fund or an account and may, for the purpose of such records, any audits thereof and any reports or statements with respect thereto, be treated either as a fund or as an account. All such records with respect to all such funds and accounts held by Pioneer shall at all times be maintained in accordance with generally accepted accounting principles with due regard for the protection of the security of the Bonds and the rights of every Owner thereof. Any fund or account required by this Resolution to be established and maintained by Pioneer may be established and maintained in the form of multiple funds, accounts or sub-accounts therein.

Section 8.07. All Obligations Due on Business Days. If the date for making any payment, or the date for performing any act or exercising any right hereunder, is a day which is not a Business Day, such payment may be made, act performed or right exercised on the next succeeding Business Day with the same force and effect as if done on the nominal date provided herein.

Section 8.08. Partial Invalidity. If any section, paragraph, sentence, clause or phrase of this Resolution shall for any reason be held illegal or unenforceable, such holding shall not affect the validity of the remaining portions of this Resolution. Pioneer hereby declares that it would have adopted this Resolution and each and every other section, paragraph, sentence, clause or phrase hereof and authorized the issue of the Bonds pursuant hereto irrespective of the fact that any one or more sections, paragraphs, sentences, clauses, or phrases of this Resolution may be held illegal, invalid or unenforceable.

Section 8.09. Execution of Documents. The Chair, the Executive Director, the Secretary, and any and all other officers of Pioneer, are each authorized and directed in the name and on behalf of Pioneer to make any and all certificates, requisitions, agreements, notices, consents, warrants and other documents, which they or any of them might deem necessary or appropriate in order to consummate the lawful issuance, sale and delivery of the Bonds.

Whenever in this Resolution any officer of Pioneer is authorized to execute or countersign any document or take any action, such execution, countersigning or action may be taken on behalf of such officer by any person designated by such officer to act on his or her behalf in the case such officer shall be absent or unavailable.

Section 8.10. Effective Date of Resolution. This Resolution shall take effect from and after the date of its passage and adoption.

PASSED AND ADOPTED this 11th day of December, 2017.

Chair

Attest:

Secretary

EXHIBIT A

FORM OF BONDS

UNITED STATES OF AMERICA
STATE OF CALIFORNIA
PLACER COUNTY

**PIONEER COMMUNITY ENERGY
REVENUE BOND, SERIES 2017**

INTEREST RATE:	MATURITY DATE:	ISSUE DATE:
2.65%	June 1, 2023	December 13, 2017

OWNER: PLACER COUNTY TREASURER

PRINCIPAL SUM: UP TO FORTY MILLION DOLLARS

PIONEER COMMUNITY ENERGY, a joint exercise of powers entity organized and existing under the Constitution and laws of the State of California ("Pioneer"), for value received, hereby promises to pay to the owner identified above (the "Owner"), on the Maturity Date identified above, the Principal Amount identified above in lawful money of the United States of America, and to pay interest thereon in like lawful money on each June 1 and December 1 commencing June 1, 2018 (each, an "Interest Payment Date"), to and including the date of final principal payment or redemption, whichever is earlier. Such interest will accrue from the next preceding Interest Payment Date except that interest payable on the first Interest Payment Date, will accrue from the Issue Date identified above; *provided, however*, that if, on any Interest Payment Date, interest represented by this Bond is in default, interest represented by this Bond shall be payable from the Interest Payment Date to which interest represented hereby has previously been paid or made available for payment.

This Bond is one of a duly authorized issue of bonds of Pioneer designated the "Pioneer Community Energy Revenue Bonds, Series 2017 (the "Bonds"), issued in the aggregate principal amount of \$40,000,000, under and secured by a resolution, adopted by the Governing Board of Pioneer on December 11, 2017 (the "Resolution"). Reference is hereby made to the Resolution and all resolutions supplemental thereto for a description of the rights thereunder of the owner of the Bonds, of the nature and extent of the security therefor, and of the rights and obligations of Pioneer thereunder; and all of the terms of the Resolution are hereby incorporated herein and constitute a contract between Pioneer and the Owner hereof, and to all of the provisions of which Resolution the Owner hereof, by acceptance hereof, assents and agrees.

Capitalized terms used herein and not otherwise defined are used with the meanings ascribed to them in the Resolution.

The Bonds are authorized to be issued pursuant to the provisions of the Articles 1 through 4 of Chapter 5, Division 7, Title 1 of the California Government Code to finance the cost of wholesale power acquisition and related expenses, finance certain administrative and operational expenses and pay the costs of issuance of the Bonds. The Bonds are issuable as one fully registered Bond without coupons.

THE BONDS ARE SPECIAL OBLIGATIONS OF PIONEER AND ARE PAYABLE, AS TO INTEREST THEREON AND PRINCIPAL THEREOF, FROM THE NET REVENUES (AS DEFINED IN THE RESOLUTION). ALL OF THE BONDS ARE EQUALLY SECURED BY A PLEDGE OF, AND CHARGE AND LIEN UPON, THAT PORTION OF THE NET REVENUES NECESSARY TO PAY THE PRINCIPAL OF AND INTEREST ON THE BONDS IN ANY FISCAL YEAR, AND THE NET REVENUES CONSTITUTE A TRUST FUND FOR THE SECURITY AND PAYMENT OF THE PRINCIPAL OF AND INTEREST ON ALL OF THE BONDS.

The principal amount of this Bond is payable at the office of Pioneer upon presentation and surrender of this Bond to Pioneer. Payment of the interest on this Bond will be made to the Owner, such interest to be paid by check mailed by Pioneer by first class mail on the Interest Payment Date to the Owner or by an accounting entry through the Placer County Treasury.

Interest on the Bonds shall be computed on the basis of a 360 day year of twelve 30 day months.

The Bonds are callable for redemption at the option of Pioneer, in whole or in part on the first business day of any month, (in inverse order of sinking fund payment date), and may be redeemed prior to the maturity thereof by payment of principal, plus accrued interest to date of redemption, without premium.

The Bonds shall be subject to mandatory sinking fund redemption on each June 1, commencing June 1, 2018, in an amount established for such date in accordance with a 30-year amortization schedule prepared by the Owner and delivered to Pioneer, based upon the principal amount of the Bonds advanced to through the May 1 date preceding such June 1 mandatory sinking fund payment date, at a redemption price equal to one hundred percent (100%) of the principal amount thereof to be redeemed (without premium), together with interest accrued thereon to the date fixed for redemption. If some but not all of the Bonds have been optionally redeemed, the aggregate principal amount of such Bonds to be redeemed by mandatory sinking fund redemption in each year shall be reduced to reflect such redemption.

Pioneer shall cause notice of any redemption to be mailed, first class mail, postage prepaid, at least fifteen (15) days prior to the date fixed for redemption, to the Owner.

Such notice shall state the redemption date and the redemption price and, if less than all of the then Outstanding Bonds are to be called for redemption, shall designate the serial numbers of the Bonds to be redeemed by giving the individual number of each Bonds or by stating that all Bonds between two stated numbers, both inclusive, or by stating that all of the Bonds of one or more maturities have been called for redemption, and shall require that such Bonds be then surrendered for redemption at the said redemption price, giving notice also that further interest on such Bonds will not accrue from and after the redemption date.

The Bonds are not transferable or exchangeable.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required by law to exist, happen and be performed precedent to and in the issuance of this Bond exist, have happened and have been performed in due time, form and manner as required by law.

IN WITNESS WHEREOF, Pioneer has caused this Bond to be signed by the manual or facsimile signature of the Chair of the Governing Board of Pioneer, countersigned by the manual or facsimile signature of the Secretary of the Governing Board of Pioneer, and has caused this Bond to be dated as set forth above.

PIONEER COMMUNITY ENERGY

By _____
Chair of the Governing Board

ATTEST:

Secretary of the Governing Board

SCHEDULE A

SCHEDULE OF ADVANCES

[illegible]

EXHIBIT B

FORM OF BOND PURCHASE AGREEMENT

\$40,000,000
PIONEER COMMUNITY ENERGY
REVENUE BONDS, SERIES 2017

BOND PURCHASE AGREEMENT

December 13, 2017

Pioneer Community Energy
2976 Richardson Drive
Auburn, CA 95603
Attention: Executive Director

Ladies and Gentlemen:

The undersigned, Placer County Treasurer (the "Purchaser"), hereby offers to enter into this Bond Purchase Agreement (this "Bond Purchase Agreement") with Pioneer Community Energy ("Pioneer"), which upon acceptance of this offer by Pioneer, will be binding upon Pioneer Community and the Purchaser. This offer is made subject to its acceptance by Pioneer by execution and delivery of this Bond Purchase Agreement to the Purchaser by 11:59 p.m., Pacific time, on the date hereof, and, if not so accepted, will be subject to withdrawal by the Purchaser upon written notice to Pioneer at any time prior to acceptance hereof by Pioneer.

All capitalized terms used but not otherwise defined herein shall have the meanings assigned to such terms in the Bond Resolution (as hereinafter defined).

Section 1. Purchase and Sale of Bonds.

(a) Subject to the conditions, and upon the basis of the representations, warranties and covenants hereinafter set forth, the Purchaser hereby agrees to purchase from Pioneer, and Pioneer hereby agrees to sell to the Purchaser, all (but not less than all) of the \$40,000,000 aggregate principal amount of Pioneer Community Energy Taxable Revenue Bonds, Series 2017 (the "Bonds"), at a price of \$_____ (which price is equal to the first advance of the Bonds).

Pioneer has represented to the Purchaser that (i) the Bonds are authorized pursuant to the provisions of Articles 1 through 4 of Chapter 5, Division 7, Title 1 of the California Government Code (the "Law"), and a resolution adopted by the Governing Board of Pioneer adopted on December 11, 2017 (the "Bond Resolution"), and (ii) the Bonds are being issued to provide funds to finance the cost of wholesale power acquisition, fund capitalized interest on the Bonds and pay the costs of issuance of the Bonds and execution of this Bond Purchase Agreement was approved by the Bond Resolution.

(b) The Bonds shall be dated as their date of delivery and shall mature on June 1, 2023, bear interest at the rate of 2.65% per annum payable on each June 1 and December 1, commencing June 1, 2018, and be subject to redemption as set forth in Exhibit A hereof.

As provided in the Resolution, the obligations of Pioneer with respect to the Bonds, including the obligation to make all payments of interest and principal on the Bonds when due, are obligations of Pioneer payable from Net Revenues and are absolute and unconditional, without any right of set-off or counterclaim.

Section 2. Private Placement; Bonds Constitute Investment of Purchaser.

(a) The Purchaser has sufficient knowledge and experience in financial and business matters, including purchase and ownership of municipal and other obligations of a nature similar to the Bonds to be able to evaluate the risks and merits of the investment represented by the purchase of the Bonds.

(b) The Purchaser is acquiring the Bonds for its own account and not with a view to, or for sale in connection with, any distribution of the Bonds or any part thereof. The Purchaser has not offered to sell, solicited offers to buy, or agreed to sell the Bonds or any part thereof, and the Purchaser has no current intention of reselling or otherwise disposing of the Bonds. The Purchaser is not acting in a broker-dealer capacity in connection with its purchase of the Bonds.

(c) As a sophisticated investor, the Purchaser has made its own credit inquiry and analysis with respect to Pioneer and the Bonds, based upon information supplied by Pioneer, and has made an independent credit decision based upon such inquiry and analysis and in reliance on the truth, accuracy, and completeness of the representations and warranties of Pioneer set forth in the Resolution and this Bond Purchase Agreement and in the information set forth in any materials submitted to the Purchaser by Pioneer. The Purchaser acknowledges that it has reviewed information, including financial statements and other financial information regarding Pioneer, and the Purchaser has had the opportunity to ask questions of and receive answers from knowledgeable individuals concerning Pioneer and the Bonds.

(d) The Purchaser has been informed and understands that the Bonds have not been registered under the United States Securities Act of 1933 or under any state securities laws. The Purchaser agrees that it will comply with any applicable state and federal securities laws then in effect with respect to any disposition of the Bonds by it, and further acknowledges that any current exemption from registration of the Bonds does not affect or diminish such requirements.

(e) The Purchaser has authority to purchase the Bonds and to execute this Bond Purchase Agreement and any other instruments and documents required to be executed by the Purchaser in connection with the purchase of the Bonds. The undersigned is a duly appointed, qualified, and acting officer of the Purchaser and is authorized to cause the Purchaser to make the representations and warranties contained herein by execution of this Bond Purchase Agreement on behalf of the Purchaser.

(f) The Purchaser has been informed and understands that the Bonds (i) have not been and will not be registered or otherwise qualified for sale under the "Blue Sky" laws and regulations of any jurisdiction, and (ii) will not be listed on any stock or other securities exchange.

(g) The Purchaser acknowledges that the Bonds are not transferable or exchangeable.

(h) The Purchaser has been informed and understands that the Bonds are exempt from the requirements of Rule 15c2-12 of the Securities and Exchange Commission and that Pioneer

has not undertaken and will not undertake to provide any continuing disclosure with respect to the Bonds, except as set forth in the Resolution and in this Bond Purchase Agreement.

Section 3. Closing. At 8:00 a.m., California time, December 13, 2017, or at such other time on such earlier or later date as shall have been mutually agreed upon by Pioneer and the Purchaser (the "Closing Date"), Pioneer will deliver or cause to be delivered to the Purchaser the Bonds duly executed by Pioneer, together with the other documents hereinafter mentioned, and the Purchaser will accept such delivery and pay the purchase price of such Bonds as set forth in Section 1 hereof. The consummation of the purchase and delivery of the Bonds as aforesaid shall be made at the offices of Quint & Thimmig LLP, Larkspur, California, or at such other place as shall be agreed upon by Pioneer and the Purchaser. Such purchase and delivery is herein called the "Closing" and the date and time of the Closing is herein called the "Closing Date."

The Bonds shall be executed and delivered under and in accordance with the provisions of this Bond Purchase Agreement and the Bond Resolution. The Bonds shall be in definitive form, shall be delivered as one fully-registered bond, registered in the name of the Purchaser.

Section 4. Representations and Warranties.

(a) The Purchaser hereby represents that it has full power and authority to enter into this Bond Purchase Agreement, that the execution, delivery and performance of this Bond Purchase Agreement and the purchase of the Bonds contemplated herein have been duly authorized by the Purchaser, and that this Bond Purchase Agreement, upon due authorization, execution and delivery by Pioneer, will be a valid and binding obligation of the Purchaser.

(b) Pioneer, by its acceptance hereof, represents, warrants, covenants and agrees with the Purchaser as follows:

(i) Pioneer is a joint exercise of powers entity organized and existing under the constitution and laws of the State of California and the Board, by adoption of the Bond Resolution, has duly approved the execution and delivery of this Bond Purchase Agreement and the issuance, execution, sale and delivery of the Bonds, and Pioneer has full right, power and authority to execute, deliver and perform its obligations under this Bond Purchase Agreement and the Bonds and to carry out and consummate the transactions contemplated by the Bond Resolution and this Bond Purchase Agreement.

(ii) Pioneer has, on or before the date hereof, duly adopted the Bond Resolution and taken all action necessary to be taken by it prior to such date for (A) the issuance, sale and delivery of the Bonds upon the terms and conditions and for the purposes described herein, in the Bond Resolution, (B) the execution and delivery of this Bond Purchase Agreement and performance of its obligations thereunder, and (C) the carrying out of, giving effect to, consummating and performing the transactions and obligations contemplated to be performed by it by the Bond Resolution and this Bond Purchase Agreement, provided that no representation is made with respect to compliance with the securities or "Blue Sky" laws of the various states of the United States, and such resolution has not been amended, modified or repealed and is in full force and effect on the date hereof.

(iii) The execution and delivery by Pioneer of this Bond Purchase Agreement, the issuance, execution, sale and delivery of the Bonds, the compliance by it with the terms, conditions or provisions thereof, and the consummation on its part of the transactions herein and therein contemplated do not and will not, in any respect material for the performance by Pioneer of its obligations under the Bond Resolution, this Bond

Purchase Agreement or the Bonds, conflict with or constitute a breach of or a default under nor contravene any law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which Pioneer is a party or is otherwise subject, nor does any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or assets of Pioneer under any such law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, deed of trust, resolution, agreement or other instrument in any respect material to the performance by Pioneer of its obligations under this the Bond Resolution, the Bond Purchase Agreement and the Bonds.

(iv) There is no consent, approval, authorization or other order of, or filing with, or certification by, any regulatory authority having jurisdiction over Pioneer required for the execution, delivery and sale of the Bonds or the consummation by Pioneer of the transactions contemplated by the Bond Resolution and this Bond Purchase Agreement, which has not been duly obtained or made on or prior to the date hereof and each such matter is in full force and effect.

(v) Under the laws of the State of California, Pioneer cannot assert sovereign immunity as a defense to the enforcement of its obligations under the Bonds or this Bond Purchase Agreement.

(vi) To the best knowledge of Pioneer, none of the matters referred to in Section 6(a) or (b) hereof has occurred or is pending.

(vii) There is no action, suit, proceeding, inquiry or investigation before or by any court, public board or body pending against or, to the best knowledge of Pioneer, threatened against or affecting Pioneer wherein an unfavorable decision, ruling or finding would adversely affect (A) the validity or enforceability of, or the authority or ability of Pioneer to perform its obligations under, the Bond Resolution and this Bond Purchase Agreement or (B) the transactions contemplated to be performed by it under the Bond Resolution and this Bond Purchase Agreement.

(viii) The proceeds from the sale to the Purchaser of the Bonds will be applied in the manner and for the purposes specified in this Bond Purchase Agreement.

(ix) Any certificate of Pioneer delivered to the Purchaser in connection with the transactions contemplated by the Bond Resolution and this Bond Purchase Agreement shall be deemed a representation by Pioneer to the Purchaser as to the statements made therein.

(x) No default or event of default has occurred and is continuing by Pioneer under the Bond Resolution or this Bond Purchase Agreement, and no such event has occurred and is continuing that with the lapse of time, the giving of notice or both would constitute a default by Pioneer or an event of default under the Bond Resolution or this Bond Purchase Agreement.

Section 5. Conditions to the Obligations of the Purchaser. The obligations of the Purchaser under this Bond Purchase Agreement have been undertaken in reliance on, and shall be subject to, the due performance by the parties hereto of their respective obligations and agreements to be performed hereunder, and on and as of the date of delivery of this Bond Purchase Agreement and on and as of the Closing Date. The obligations of the Purchaser hereunder to accept delivery of and pay for the Bonds at the Closing are also subject, in the discretion of the Purchaser, to the following further conditions:

(a) At the time of the Closing, (i) the Bond Resolution and this Bond Purchase Agreement shall be in full force and effect and shall not have been rescinded, amended, modified or supplemented, except as may have been agreed to by the Purchaser, and Pioneer shall have adopted or executed and delivered, as the case may be, and there shall be in full force and effect such additional resolutions, agreements, opinions and certificates, which resolutions, agreements, opinions and certificates shall be reasonably satisfactory in form and substance to the Purchaser, and there shall have been taken in connection therewith and in connection with the issuance of the Bonds all such action as shall, in the opinion of the Purchaser, be necessary in connection with the transactions contemplated hereby, (ii) the Bonds shall have been duly issued and delivered, (iii) Pioneer shall perform or have performed all of its obligations under or specified in this Bond Purchase Agreement to be performed by Pioneer at or prior to the Closing, and (iv) all representations and warranties contained in this Bond Purchase Agreement shall be true and correct in all material respects.

(b) On the Closing Date, there shall be delivered to the Purchaser in form satisfactory to the Purchaser:

(i) Executed counterparts of this Bond Purchase Agreement, certified copies of the Bond Resolution and such other documents and certificates as the Purchaser or its counsel may reasonably require in order to evidence the accuracy or satisfaction of any of the representations, warranties or conditions herein contained.

(ii) An approving opinion of Quint & Thimmig LLP, Bond Counsel, and a letter from Bond Counsel addressed to the Purchaser expressly permitting the Purchaser to rely on such final approving opinion as if the Purchaser was an addressee thereof.

(iii) A certificate, dated the Closing Date, signed by an authorized official of Pioneer, and in form and substance satisfactory to the Purchaser, to the effect that:

(A) Except as previously disclosed to the Purchaser, there is no action, suit, proceeding, inquiry or investigation before or by any court, public board or body pending or, to the best knowledge of Pioneer, threatened against or affecting Pioneer wherein an unfavorable decision, ruling or finding would adversely affect the validity or enforceability of, or the authority or ability of Pioneer to perform its obligations under, the Bond Resolution or this Bond Purchase Agreement, or which would restrain or enjoin the sale, execution or delivery of the Bonds or in any way contest or affect the validity of the Bonds, the proceedings of Pioneer taken with respect to the issuance, delivery or sale thereof, the pledge or application of any moneys or securities provided for the payment of the Bonds and the existence or powers of Pioneer or the title of any officers of Pioneer to their respective positions.

(B) The representations and warranties of Pioneer contained in this Bond Purchase Agreement are true and correct in all material respects on and as of the Closing Date.

(C) Pioneer has complied, or is presently in compliance, with all agreements and has satisfied all conditions on its part to be observed or satisfied under this Bond Purchase Agreement at or prior to the Closing Date; and

(iv) Such additional legal opinions, certificates, instruments and documents as the Purchaser may reasonably request to evidence the truth and accuracy, as of the date hereof and as of the Closing Date, of Pioneer's representations and warranties contained

herein and the due performance or satisfaction by Pioneer on or prior to the Closing Date of all agreements then to be performed and all conditions then to be satisfied by Pioneer.

If the conditions to the obligations of the Purchaser contained in this Bond Purchase Agreement shall not be satisfied, unless otherwise waived by the Purchaser, this Bond Purchase Agreement shall terminate with the effect stated in paragraph (c) of Section 5 hereof.

Section 6. Termination of Agreement.

(a) The Purchaser may terminate this Bond Purchase Agreement at any time subsequent to the date of this Bond Purchase Agreement and at or prior to the Closing by notifying Pioneer in writing or by telegram of its election so to do, if legislation shall be introduced, by amendment or otherwise, in, or be enacted by, the House of Representatives or the Senate of the Congress of the United States, or a decision by a court of the United States shall be rendered, or a stop order, ruling, regulation or official statement by, or on behalf of, the United States Securities and Exchange Commission or other governmental agency having jurisdiction of the subject matter shall be made or proposed, to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, as contemplated hereby, is or would be in violation of any provision of the Securities Act, the Securities Exchange Act of 1934 (the "Securities Exchange Act") or the Trust Indenture Act, as any of the foregoing Acts are amended, or with the purpose or effect of otherwise prohibiting the issuance, offering or sale of obligations of the general character of the Bonds, as contemplated hereby.

(b) If this Bond Purchase Agreement is terminated as herein provided, the parties hereto shall have no obligations one to the other.

Section 7. Expenses. Except as otherwise provided herein, the Purchaser shall be under no obligation to pay and Pioneer shall pay any expenses incident to, or in connection with, the offering, issuance and sale of the Bonds.

Section 8. Miscellaneous.

(a) Except as otherwise specifically provided in this Bond Purchase Agreement, all notices, demands and formal actions under this Bond Purchase Agreement shall be in writing and mailed, telegraphed or personally delivered to:

The Purchaser: Placer County Treasurer
2976 Richardson Drive
Auburn, CA 95603
Attention: Ms. Jenine Windeshausen
Placer County Treasurer-Tax Collector

Pioneer: Pioneer Community Energy
2976 Richardson Drive
Auburn, CA 95603
Attention: Ms. Elena Gagnie

(b) This Bond Purchase Agreement will inure to the benefit of and be binding upon Pioneer and the Purchaser and their respective successors and assigns, and will not confer any rights upon any other person, partnership, association or corporation other than Pioneer and persons, if any, controlling the Purchaser within the meaning of the Securities Act or the Securities Exchange Act. The terms "successors" and "assigns" shall not include any purchaser or holder of any of the Bonds.

(c) All of the representations, warranties and covenants of Pioneer in this Bond Purchase Agreement shall remain operative and in full force and effect regardless of (i) any investigation made by or on behalf of the Purchaser, (ii) delivery of and any payment for the Bonds hereunder or (iii) termination of the Purchaser's obligation to accept delivery of the Bonds pursuant to this Bond Purchase Agreement.

(d) Section headings have been inserted in this Bond Purchase Agreement as a matter of convenience or for reference only, and it is agreed that such section headings are not a part of this Bond Purchase Agreement and will not be used in the interpretation of any provisions of this Bond Purchase Agreement.

(e) If any provision of this Bond Purchase Agreement shall be held or deemed to be or shall, in fact, be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions, or in all jurisdictions because it conflicts with any provisions of any constitution, statute, rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question invalid, inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions of this Bond Purchase Agreement invalid, inoperative or unenforceable to any extent whatever.

(f) This Bond Purchase Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document.

(g) This Bond Purchase Agreement shall be governed by and construed in accordance with the laws of the State of California.

Section 9. Survival. The provisions of Sections 1(b), 4 and 8 of this Bond Purchase Agreement shall survive until the Bonds and all other costs are fully paid to Purchaser.

PLACER COUNTY TREASURER

By _____
Name _____
Title _____

This Bond Purchase Agreement is accepted and agreed to by the undersigned duly authorized signatory as of the date first above written:

PIONEER COMMUNITY ENERGY

By _____
Name _____
Title _____

EXHIBIT A

REDEMPTION PROVISIONS

The Bonds are callable for redemption at the option of Pioneer, in whole or in part on the first business day of any month, (in inverse order of sinking fund payment date), and may be redeemed prior to the maturity thereof by payment of principal, plus accrued interest to date of redemption, without premium.

The Bonds shall be subject to mandatory sinking fund redemption on each June 1, commencing June 1, 2018, in an amount established for such date in accordance with a 30-year amortization schedule prepared by the Owner and delivered to Pioneer, based upon the outstanding principal amount of the Bonds advanced to through the May 1 date preceding such June 1 mandatory sinking fund payment date, at a redemption price equal to one hundred percent (100%) of the principal amount thereof to be redeemed (without premium), together with interest accrued thereon to the date fixed for redemption. If some but not all of the Bonds have been optionally redeemed, the aggregate principal amount of such Bonds to be redeemed by mandatory sinking fund redemption in each year shall be reduced to reflect such redemption.

EXHIBIT C

FORM OF ADVANCE REQUEST

\$40,000,000

PIONEER COMMUNITY ENERGY
Revenue Bond, Series 2017

ADVANCE REQUEST

The undersigned hereby states and certifies:

(i) that the undersigned is the duly appointed, qualified and acting _____ of the Pioneer Community Energy, a joint exercise of powers entity duly organized and existing under the laws of the State of California ("Pioneer"), and as such, is familiar with the facts herein certified and is authorized to certify the same on behalf of Pioneer;

(ii) that the undersigned is a duly designated Pioneer Representative, as such term is defined in Resolution No. __, adopted by the Governing Body of Pioneer on December 11, 2017 (the "Resolution");

(iii) that Pioneer hereby requests that the Placer County Treasurer, as Owner (as defined in the Resolution"), advance the sum of \$_____ to Pioneer, being a draw-down and additional purchase price of the Bonds (as defined in the Resolution), as contemplated by the Resolution, with interest to accrue on such amount when advanced;

(iv) (iv) that such advance will be applied to finance: Administrative and Operational Costs, the acquisition of power supply and related costs, or other expenses related to Pioneer's community choice aggregation program,;

(v) that no Event of Default has occurred or is continuing under the Resolution and each representation and warranty set forth in such documents remains true and correct except for such representations and warranties that are no longer true due to the passage of time;

(vi) that the total amount drawn down to date is \$_____; and

(vii) that this advance request [IS] [IS NOT] the final advance request.

Dated: _____, 20__

PIONEER COMMUNITY ENERGY

By _____
Name _____
Title _____

APPROVED:

PLACER COUNTY TREASURER

By _____
Name _____
Title _____